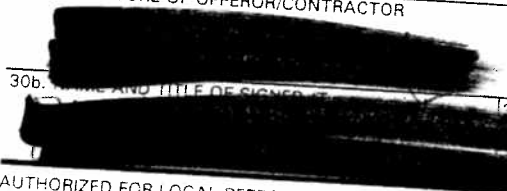
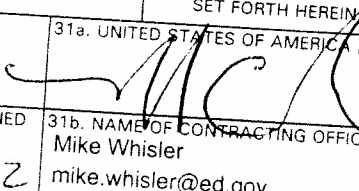
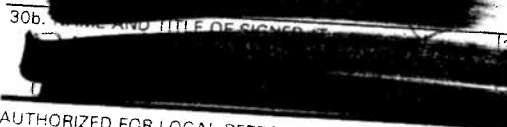


# SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS

## OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30

2. CONTRACT NO. ED-FSA-12-D-0003		3. AWARD/EFFECTIVE DATE DATE <u>31</u> JAN 30, 2012		4. ORDER NUMBER		1. REQUISITION NUMBER		PAGE 1 OF 2	
7. FOR SOLICITATION INFORMATION CALL: a. NAME Julia Jones julia.jones@ed.gov				b. TELEPHONE NUMBER (No collect calls)		5. SOLICITATION NUMBER		6. SOLICITATION ISSUE DATE	
9. ISSUED BY United States Department of Education Federal Student Aid/Mission Support Group 830 First St NE - Suite 91F3 Washington DC 20202				CODE FSA-FS2		10. THIS ACQUISITION IS <input type="checkbox"/> UNRESTRICTED OR <input type="checkbox"/> SET ASIDE: NAICS: _____ % FOR: SIZE STANDARD: _____ <input type="checkbox"/> SMALL BUSINESS <input type="checkbox"/> EMERGING SMALL BUSINESS <input type="checkbox"/> HUBZONE SMALL BUSINESS <input type="checkbox"/> SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS <input type="checkbox"/> 8(A)		8. OFFER DUE DATE/LOCAL TIME	
11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED <input type="checkbox"/> SEE SCHEDULE		12. DISCOUNT TERMS Net 30		13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700) <input type="checkbox"/>		13b. RATING		14. METHOD OF SOLICITATION <input type="checkbox"/> RFQ <input type="checkbox"/> IFB <input type="checkbox"/> RFP	
15. DELIVER TO CODE _____		16. ADMINISTERED BY United States Department of Education Federal Student Aid/Mission Support Group 830 First St NE - Suite 91F3 Washington DC 20202				CODE FSA-FS2			
17a. CONTRACTOR/OFFEROR. UTAH HIGHER EDUCATION ASSISTANCE AUTHORITY PO BOX 145112 SALT LAKE CITY UT 841145112		CODE 00032052 FACILITY CODE _____		18a. PAYMENT WILL BE MADE BY Budget Group/Invoice Admin US Department of Education/FSA/CFO/BG/FSAA 830 First Street, NE, Suite 54B1 Washington DC 20202-0001 CODE FSA-BUD					
CAGE: 46A74 TIN: 876000545 TELEPHONE NO. _____ DUNS: 026759279				17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER <input type="checkbox"/>					
19. ITEM NO.				20. SCHEDULE OF SUPPLIES/SERVICES				18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED <input type="checkbox"/> SEE ADDENDUM	
Please see continuation page for line item details.				21. QUANTITY		22. UNIT		23. UNIT PRICE	
								24. AMOUNT	
(Use Reverse and/or Attach Additional Sheets as Necessary)									
25. ACCOUNTING AND APPROPRIATION DATA See Schedule						26. TOTAL AWARD AMOUNT (For Govt. Use Only) \$0.00			
27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4, FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA <input type="checkbox"/>						ARE <input type="checkbox"/> ARE NOT ATTACHED			
27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4, FAR 52.212-5 IS ATTACHED. ADDENDA <input checked="" type="checkbox"/>						ARE <input type="checkbox"/> ARE NOT ATTACHED			
28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN 1 COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED						29. AWARD OF CONTRACT: REF. _____ OFFER DATED _____ YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN IS ACCEPTED AS TO ITEMS: <input checked="" type="checkbox"/>			
30a. SIGNATURE OF OFFEROR/CONTRACTOR 				31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER) 				31b. NAME OF CONTRACTING OFFICER (Type or print) Mike Whisler mike.whisler@ed.gov	
30b. NAME AND TITLE OF SIGNED OFFICER 				30c. DATE SIGNED 26/12		31c. DATE SIGNED 27 JAN 20, 2012			

AUTHORIZED FOR LOCAL REPRODUCTION  
PREVIOUS EDITION IS NOT USABLE

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT

32a. QUANTITY IN COLUMN 21 HAS BEEN

☐ RECEIVED

☐ INSPECTED

☐ ACCEPTED, AND CONFORMS TO THE CONTRACT, EXCEPT AS NOTED: \_\_\_\_\_

32b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE

32c. DATE

32d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE

32e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE

32f. TELEPHONE NUMBER OF AUTHORIZED GOVERNMENT REPRESENTATIVE

32g. E-MAIL OF AUTHORIZED GOVERNMENT REPRESENTATIVE

33. SHIP NUMBER

34. VOUCHER NUMBER

35. AMOUNT VERIFIED  
CORRECT FOR

36. PAYMENT

37. CHECK NUMBER

☐ PARTIAL ☐ FINAL

☐ COMPLETE ☐ PARTIAL ☐ FINAL

38. S/R ACCOUNT NO.

39. S/R VOUCHER NUMBER

40. PAID BY

41a. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT

41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER

41c. DATE

42a. RECEIVED BY (Print)

42b. RECEIVED AT (Location)

42c. DATE REC'D (YY/MM/DD)

42d. TOTAL CONTAINERS

**A. ADDENDUM 1 – SF 1449 CONTINUATION PAGE**

**A.1 Schedule of Supplies/Services**

**For the first 100,000 allocated borrower accounts ONLY, the following pricing shall apply:**

CLIN	Category	Unit Price	Min. Order	Max. Order
0001	Borrowers in In-school Status	\$ 1.150	1	10 million
0002	Borrowers in Grace or Current Repayment Status	\$ 2.320	1	10 million
0003	Borrowers in Deferment or Forbearance	\$ 2.280	1	10 million
0004	Borrowers 31-90 Days Delinquent	\$ 1.780	1	10 million
0005	Borrowers 91-150 Days Delinquent	\$ 1.650	1	10 million
0006	Borrowers 151-270 Days Delinquent	\$ 1.510	1	10 million
0007	Borrowers 270+ Days Delinquent	\$ 0.550	1	10 million
0008	On-System Conversion Fees (Per Borrower Account)*	\$ 10.000	1	10 million
0009	Incurred Start-Up Costs (Per Entity)**	Up to \$300,000	1	10 million

\*Applies to the first 100,000 borrower accounts each Entity loads onto its system for servicing. Billable only after actual conversion of accounts has occurred. No costs for off-system conversions/transfers shall apply.

\*\*Reimbursable ceiling amount for actual, reasonable, allowable, and allocable costs incurred in meeting the Government's stated requirements, in accordance with FAR 31.201. All costs under this category shall be subject to audit, and are only reimbursable after contract award.

**For all borrower accounts above the first 100,000 allocated accounts, the following pricing shall apply:**

CLIN	Status	Volume Low	Volume High	Unit Price	Min. Order	Max. Order
0010	Borrowers in In-school Status			\$ 1.050	1	10 million
0011	Borrowers in Grace or Current Repayment Status	1	3,000,000	\$ 2.110	1	10 million
0012		3,000,001	UP	\$ 1.900	1	10 million
0013	Borrowers in Deferment or Forbearance	1	1,600,000	\$ 2.070	1	10 million
0014		1,600,001	UP	\$ 1.730	1	10 million
0015	Borrowers 31-90 Days Delinquent			\$ 1.620	1	10 million
0016	Borrowers 91-150 Days Delinquent			\$ 1.500	1	10 million
0017	Borrowers 151-270			\$ 1.370	1	10 million

	Days Delinquent					
0018	Borrowers 270+ Days Delinquent			\$ 0.500	1	10 million

Entities shall be responsible for the accurate tracking and proper invoicing of its borrower accounts, in accordance with the pricing structure above.

In accordance with Section B.12.N.14, once two (2) million borrower accounts have been collectively allocated under this contract, pricing for ALL borrower accounts (including the initial 100,000 allocation) shall revert to the pricing found in CLINs 0010 through 0018 above, as applicable. Pricing provided in CLINs 0001 through 0009 shall no longer apply.

**B. ADDENDUM 2 – 52.212-4, CONTRACT TERMS AND CONDITIONS—  
COMMERCIAL ITEMS (MAR 2009)**

**B.1 52.212-4 Contract Terms And Conditions—Commercial Items (Mar 2009)—  
TAILORED**

- (c)(1) *Changes.* The Contracting Officer may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in any one or more of the following:
- (i) Description of services to be performed.
  - (ii) Time of performance (i.e., hours of the day, days of the week, etc.).
  - (iii) Place of performance of the services.
- (2) If any such change causes an increase or decrease in the cost of, or the time required for, performance of any part of the work under this contract, whether or not changed by the order, the Contracting Officer shall make an equitable adjustment in the contract price, the delivery schedule, or both, and shall modify the contract.
- (3) The Contractor must assert its right to an adjustment under this clause within 30 days from the date of receipt of the written order. However, if the Contracting Officer decides that the facts justify it, the Contracting Officer may receive and act upon a proposal submitted before final payment of the contract.
- (4) If the Contractor's proposal includes the cost of property made obsolete or excess by the change, the Contracting Officer shall have the right to prescribe the manner of the disposition of the property.
- (5) Failure to agree to any adjustment shall be a dispute under the Disputes clause. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.

**B.2 52.232-18 Availability of Funds (Apr 1984) – TAILORED**

The Government's obligation for performance of this contract is contingent upon the availability of "Mandatory Funds" under Section 2212(b) of the Health Care and Education Reconciliation Act of 2010 (Pub.L. 111-152, 124 Stat. 1029), from which payment for contract purposes can be made. No legal liability on the part of the Government for any payment may arise for performance under this contract beyond the current expiration of the "Mandatory Funds", and until the Contractor receives notice of availability, to be confirmed in writing by the Contracting Officer.

**B.3 52.252-2 Clauses Incorporated By Reference (APR 2010)**

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The full text of a clause may also be accessed electronically at:

<https://www.acquisition.gov/Far/>

- 52.203-13 Contractor Code of Business Ethics and Conduct (Dec 2008)
- 52.203-14 Display of Hotline Poster(s) (Dec 2007)
- 52.204-10 Reporting Executive Compensation and First Tier Subcontracts Award (Jul 2010)
- 52.209-6 Protecting the Government's Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (SEP 2006)

- 52.216-18 Ordering (OCT 1995)
  - (a) the effective date of award; the end of the current period of performance
- 52.216-19 Ordering Limitations (OCT 1995)
  - (a) One Borrower
  - (b)(1) Ten Million Borrowers
  - (b)(2) Ten Million Borrowers
  - (b)(3) Two Days
  - (d) One Day
- 52.216-22 Indefinite Quantity (OCT 1995)
  - (d) the end of the current period of performance
- 52.217-8 Option To Extend Services (NOV 1999)
  - 120 days
- 52.217-9 Option to Extend the Term of the Contract (MAR 2000)
  - (a) 120 days; 15
  - (c) September 30, 2019
- 52.222-54 Employment Eligibility Verification (Jan 2009)
- 52.224-1 Privacy Act Notification (APR 1984)
- 52.224-2 Privacy Act (APR 1984)
- 52.227-14 Rights in Data—General (DEC 2007)
- 52.237-3 Continuity of Services (JAN 1991)
- 52.245-1 Government Property (AUG 2010)

**B.4 EDAR 3452.202-1 Definitions (MAR 2011)**

- (a) The definitions at FAR 2.101 are appended with those contained in Education Department Acquisition Regulations (EDAR) 3402.101.
- (b) The EDAR is available via the Internet at <http://www.ed.gov/policy/fund/reg/clibrary/edar.html>.

**B.5 EDAR 3452.209-71 Conflict of Interest (MAR 2011)**

- (a) (1) The contractor, subcontractor, employee, or consultant, has certified that, to the best of its knowledge and belief, there are no relevant facts or circumstances that could give rise to an organizational or personal conflict of interest (see FAR Subpart 9.5 for organizational conflicts of interest) (or apparent conflict of interest) for the organization or any of its staff, and that the contractor, subcontractor, employee, or consultant has disclosed all such relevant information if such a conflict of interest appears to exist to a reasonable person with knowledge of the relevant facts (or if such a person would question the impartiality of the contractor, subcontractor, employee, or consultant). Conflicts may arise in the following situations:
  - (i) Unequal access to information—A potential contractor, subcontractor, employee, or consultant has access to nonpublic information through its performance on a government contract.
  - (ii) Biased ground rules—A potential contractor, subcontractor, employee, or consultant has worked, in one government contract, or program, on the basic structure or ground rules of another government contract.

(iii) Impaired objectivity—A potential contractor, subcontractor, employee, or consultant, or member of their immediate family (spouse, parent, or child) has financial or other interests that would impair, or give the appearance of impairing, impartial judgment in the evaluation of government programs, in offering advice or recommendations to the government, or in providing technical assistance or other services to recipients of Federal funds as part of its contractual responsibility. “Impaired objectivity” includes but is not limited to the following situations that would cause a reasonable person with knowledge of the relevant facts to question a person’s objectivity:

- (A) Financial interests or reasonably foreseeable financial interests in or in connection with products, property, or services that may be purchased by an educational agency, a person, organization, or institution in the course of implementing any program administered by the Department;
- (B) Significant connections to teaching methodologies that might require or encourage the use of specific products, property, or services; or
- (C) Significant identification with pedagogical or philosophical viewpoints that might require or encourage the use of a specific curriculum, specific products, property, or services.

(2) Offerors must provide the disclosure described above on any actual or potential conflict (or apparent conflict of interest) of interest regardless of their opinion that such a conflict or potential conflict (or apparent conflict of interest) would not impair their objectivity.

(3) In a case in which an actual or potential conflict (or apparent conflict of interest) is disclosed, the Department will take appropriate actions to eliminate or address the actual or potential conflict (or apparent conflict of interest), including but not limited to mitigating or neutralizing the conflict, when appropriate, through such means as ensuring a balance of views, disclosure with the appropriate disclaimers, or by restricting or modifying the work to be performed to avoid or reduce the conflict. In this clause, the term “potential conflict” means reasonably foreseeable conflict of interest.

(b) The contractor, subcontractor, employee, or consultant agrees that if “impaired objectivity”, or an actual or potential conflict of interest (or apparent conflict of interest) is discovered after the award is made, it will make a full disclosure in writing to the contracting officer. This disclosure shall include a description of actions that the contractor has taken or proposes to take, after consultation with the contracting officer, to avoid, mitigate, or neutralize the actual or potential conflict (or apparent conflict of interest).

(c) Remedies. The Government may terminate this contract for convenience, in whole or in part, if it deems such termination necessary to avoid the appearance of a conflict of interest. If the contractor was aware of a potential conflict of interest prior to award or discovered an actual or potential conflict (or apparent conflict of interest) after award and did not disclose or misrepresented relevant information to the contracting officer, the Government may terminate the contract for default, or pursue such other remedies as may be permitted by law or this contract. These remedies include imprisonment for up to five years for violation of 18 U.S.C. 1001 and fines of up to \$5,000 for violation of 31 U.S.C. 3802. Further remedies include suspension or debarment from contracting with the Federal government. The contractor may also

be required to reimburse the Department for costs the Department incurs arising from activities related to conflicts of interest. An example of such costs would be those incurred in processing Freedom of Information Act requests related to a conflict of interest.

(d) In cases where remedies short of termination have been applied, the contractor, subcontractor, employee, or consultant agrees to eliminate the organizational conflict of interest, or mitigate it to the satisfaction of the contracting officer.

(e) The contractor further agrees to insert in any subcontract or consultant agreement hereunder, provisions that conform substantially to the language of this clause, including specific mention of potential remedies and this paragraph (e).

#### **B.6 EDAR 3452.208-71 Printing (MAR 2011)**

Unless otherwise specified in this contract, the contractor shall not engage in, nor subcontract for, any printing (as that term is defined in Title I of the Government Printing and Binding Regulations in effect on the effective date of this contract) in connection with the performance of work under this contract; except that performance involving the duplication of fewer than 5,000 units of any one page, or fewer than 25,000 units in the aggregate of multiple pages, shall not be deemed to be printing. A unit is defined as one side of one sheet, one color only (with black counting as a color), with a maximum image size of 10¾ by 14¼ inches on a maximum paper size of 11 by 17 inches. Examples of counting the number of units: black plus one additional color on one side of one page counts as two units. Three colors (including black) on two sides of one page count as six units.

#### **B.7 EDAR 3452.224-70 Release of Information Under the Freedom of Information Act (MAR 2011)**

By entering into a contract with the Department of Education, the contractor, without regard to proprietary markings, approves the release of the entire contract and all related modifications and task orders including, but not limited to: (1) Unit prices, including labor rates; (2) Statements of Work/Performance Work Statements generated by the contractor; (3) Performance requirements, including incentives, performance standards, quality levels, and service level agreements; (4) Reports, deliverables, and work products delivered in performance of the contract (including quality of service, performance against requirements/standards/service level agreements); (5) Any and all information, data, software, and related documentation first provided under the contract; (6) Proposals or portions of proposals incorporated by reference; and (7) Other terms and conditions.

#### **B.8 FSA 27-1 Labeling Of Documents (June 2007)—TAILORED**

The Contractor shall not label any data, as defined in the clause at 52.227-14, produced in performance of this contract in a way that would restrict the Government's right to use or release the information. If applicable, the Contractor shall include a legend that identifies sensitive data that should not be released for security reasons. Under FAR 52.227-14, Rights in Data-General (or 52.227-15, -16, -17) clause, this data may be used for any public purpose. Deliverables shall not contain vendor-specific logos, mottos, watermarks, or holograms.

The Contractor shall not use, particularly for proposals, U.S. Government logos, such as the U.S. Department of Education or Federal Student Aid.



**B.9 EDAR 3452.227-73 Limitations on The Use Or Disclosure of Government-Furnished Information Marked With Restrictive Legends (MAR 2011)**

(a) For contracts under which data are to be produced, furnished, or acquired, the terms limited rights and restricted rights are defined in the rights in data—general clause (FAR 52.227-14).

(b) Proprietary data, technical data, or computer software provided to the contractor as Government-furnished information (GFI) under this contract may be subject to restrictions on use, modification, reproduction, release, performance, display, or further disclosure.

(1) Proprietary data with legends that serve to restrict disclosure or use of data. The contractor shall use, modify, reproduce, perform, or display proprietary data received from the Government with proprietary or restrictive legends only in the performance of this contract. The contractor shall not, without the express written permission of the party who owns the data, release, or disclose such data or software to any person.

(2) GFI marked with limited or restricted rights legends. The contractor shall use, modify, reproduce, perform, or display technical data received from the Government with limited rights legends or computer software received with restricted rights legends only in the performance of this contract. The contractor shall not, without the express written permission of the party whose name appears in the legend, release or disclose such data or software to any person.

(3) GFI marked with specially negotiated license rights legends. The contractor shall use, modify, reproduce, release, perform, or display proprietary data, technical data, or computer software received from the Government with specially negotiated license legends only as permitted in the license. Such data or software may not be released or disclosed to other persons unless permitted by the license and, prior to release or disclosure, the intended recipient has completed the use and non-disclosure agreement. The contractor shall modify paragraph (c)(1)(iii) of the use and nondisclosure agreement (3452.227-72) to reflect the recipient's obligations regarding use, modification, reproduction, release, performance, display, and disclosure of the data or software.

(c) Indemnification and creation of third party beneficiary rights.

(1) The contractor agrees to indemnify and hold harmless the Government, its agents, and employees from every claim or liability, including attorneys fees, court costs, and expenses, arising out of, or in any way related to, the misuse or unauthorized modification, reproduction, release, performance, display, or disclosure of proprietary data, technical data, or computer software received from the Government with restrictive legends by the contractor or any person to whom the contractor has released or disclosed such data or software.

(2) The contractor agrees that the party whose name appears on the restrictive legend, in addition to any other rights it may have, is a third party beneficiary who has the right of direct action against the contractor, or any person to whom the contractor has released or disclosed such data or software, for the unauthorized duplication, release, or disclosure of proprietary data, technical data, or computer software subject to restrictive legends.

**B.10 EDAR 3452.227-72 Use and Non-Disclosure Agreement (MAR 2011)**

(a) Except as provided in paragraph (b) of this clause, proprietary data, technical data, or computer software delivered to the

Government with restrictions on use, modification, reproduction, release, performance, display, or disclosure may not be provided to third parties unless the intended recipient completes and signs the use and non-disclosure agreement in paragraph (c) of this clause prior to release or disclosure of the data.

(1) The specific conditions under which an intended recipient will be authorized to use, modify, reproduce, release, perform, display, or disclose proprietary data or technical data subject to limited rights, or computer software subject to restricted rights must be stipulated in an attachment to the use and non-disclosure agreement.

(2) For an intended release, disclosure, or authorized use of proprietary data, technical data, or computer software subject to special license rights, modify paragraph (c)(1)(iv) of this clause to enter the conditions, consistent with the license requirements, governing the recipient's obligations regarding use, modification, reproduction, release, performance, display, or disclosure of the data or software.

(b) The requirement for use and nondisclosure agreements does not apply to Government contractors that require access to a third party's data or software for the performance of a Government contract that contains the 3452.227-73 clause, Limitations on the use or disclosure of Government furnished information marked with restrictive legends.

(c) The prescribed use and non-disclosure agreement is:

#### **Use and Non-Disclosure Agreement**

The undersigned, \_\_\_\_\_, an authorized representative of the Utah Higher Education Assistance Authority (UHEAA), (which is hereinafter referred to as the "recipient") requests the Government to provide the recipient with proprietary data, technical data, or computer software (hereinafter referred to as "data") in which the Government's use, modification, reproduction, release, performance, display, or disclosure rights are restricted. Those data are identified in an attachment to this agreement. In consideration for receiving such data, the recipient agrees to use the data strictly in accordance with this agreement.

(1) The recipient shall—

(i) Use, modify, reproduce, release, perform, display, or disclose data marked with Small Business Innovative Research (SBIR) data rights legends only for government purposes and shall not do so for any commercial purpose. The recipient shall not release, perform, display, or disclose these data, without the express written permission of the contractor whose name appears in the restrictive legend (the contractor), to any person other than its subcontractors or suppliers, or prospective subcontractors or suppliers, who require these data to submit offers for, or perform, contracts with the recipient. The recipient shall require its subcontractors or suppliers, or prospective subcontractors or suppliers, to sign a use and non-disclosure agreement prior to disclosing or releasing these data to such persons. Such an agreement must be consistent with the terms of this agreement.

(ii) Use, modify, reproduce, release, perform, display, or disclose proprietary data or technical data marked with limited rights legends only as specified in the attachment to this agreement. Release, performance, display, or disclosure to other persons is not

authorized unless specified in the attachment to this agreement or expressly permitted in writing by the contractor.

(iii) Use computer software marked with restricted rights legends only in performance of contract number [insert contract number(s)]. The recipient shall not, for example, enhance, decompile, disassemble, or reverse engineer the software; time share; or use a computer program with more than one computer at a time. The recipient may not release, perform, display, or disclose such software to others unless expressly permitted in writing by the licensor whose name appears in the restrictive legend.

(iv) Use, modify, reproduce, release, perform, display, or disclose data marked with special license rights legends [To be completed by the contracting officer. See paragraph (a)(2) of this clause. Omit if none of the data requested is marked with special license rights legends].

(2) The recipient agrees to adopt or establish operating procedures and physical security measures designed to protect these data from inadvertent release or disclosure to unauthorized third parties.

(3) The recipient agrees to accept these data "as is" without any Government representation as to suitability for intended use or warranty whatsoever. This disclaimer does not affect any obligation the Government may have regarding data specified in a contract for the performance of that contract.

(4) The recipient may enter into any agreement directly with the contractor with respect to the use, modification, reproduction, release, performance, display, or disclosure of these data.

(5) The recipient agrees to indemnify and hold harmless the Government, its agents, and employees from every claim or liability, including attorneys fees, court costs, and expenses arising out of, or in any way related to, the misuse or unauthorized modification, reproduction, release, performance, display, or disclosure of data received from the Government with restrictive legends by the recipient or any person to whom the recipient has released or disclosed the data.

(6) The recipient is executing this agreement for the benefit of the contractor. The contractor is a third party beneficiary of this agreement who, in addition to any other rights it may have, is intended to have the rights of direct action against the recipient or any other person to whom the recipient has released or disclosed the data, to seek damages from any breach of this agreement, or to otherwise enforce this agreement.

(7) The recipient agrees to destroy these data, and all copies of the data in its possession, no later than 30 days after the date shown in paragraph (8) of this agreement, to have all persons to whom it released the data do so by that date, and to notify the contractor that the data have been destroyed.

(8) This agreement shall be effective for the period commencing with the recipient's execution of this agreement and ending upon **[September 30, 2019]**. The obligations imposed by this agreement shall survive the expiration or termination of the agreement.

\_\_\_\_\_  
Recipient's Business Name

\_\_\_\_\_  
Authorized Representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Representative's Typed Name and Title

**B.11 FSA 32-1 Invoice Procedures (November 2009)**

The Contractor must submit a physical invoice via mail, fax, or e-mail for this contract in order to be paid for products and/or services rendered.

Federal Student Aid's "designated billing office" is:

US Department of Education  
Union Center Plaza  
Federal Student Aid Administration  
830 First Street, NE - Suite 54B1  
Washington, D.C. 20202-0001  
E-mail: InvoiceAdmin@ed.gov  
Fax: 202-275-3477

The Contractor shall also simultaneously submit copies of the invoice to the Contracting Officer and one to the Contracting Officer's Representative (COR). The CO and COR should receive copies via the same means as the invoice sent to the Budget Group.

When submitting an invoice via mail, the Contractor shall submit the original invoice AND two copies of the invoice.

At a minimum the following items must be addressed in order for the invoice to be considered "proper" for payment:

- (1) Name and Address of the Contractor.
- (2) Invoice Number and Invoice Date (Date invoices as close as possible to the date of mailing or transmission). The date and actual submission must occur after receipt, inspection and acceptance of the supplies or services.
- (3) The Contract number, contract line item, and if applicable, the order number must be included on the invoice and be correct.

- (4) Description, quantity, unit of measure, unit price, and extended price of the item delivered must agree with the contract or order.
- (5) Terms of any prompt payment discount offered.
- (6) Name, title, and phone number of persons to be notified in event of defective invoice.
- (7) The period of time covered by the invoice must include the first and last day of the period.
- (8) Totals must be supported by subtotals and subtotals should be supported by detail, (e.g. documentation for categories of labor, hours performed, unit prices) and deliverables provided.
- (9) If required by this contract or order, receipts must be provided to support documentation of "other direct costs" (ODCs) or materials.
- (10) SPECIAL INSTRUCTIONS FOR FINANCE PAYMENTS:

Invoices for finance payments shall specifically and prominently identify the payment request as follows:

#### REQUEST FOR FINANCING PAYMENT

Finance payments are not subject to the Prompt Payment Act. Failure to identify the invoice as a request for financing may result in delay of payment. Invoices that are identified as Requests for Finance Payments shall only include the finance payments listed in the contract. Requests for finance payments shall not be combined with other types of invoice payments.

### B.12 ADDITIONAL TERMS AND CONDITIONS

A. **Contract Type**—This contract is for the NATIONAL OPTION. All terms and conditions herein shall apply whether this is a "National Option" or "State Option" award, unless otherwise noted.

**National Option**— Indefinite Delivery/Indefinite Quantity (IDIQ). During the course of the basic ordering period, the IDIQ minimum is \$2,532,000, provided that the Contractor is in compliance with the requirements for servicing federally held debt, and the maximum volume for the basic ordering period agreement will be 10 million borrowers. The Optional Ordering Period will have a minimum of \$1,000 and a maximum of an additional 10 million borrowers.

- B. **Ordering Period**—The ordering period for this contract will be one (1), five (5) year Base Ordering Period, with one (1) Optional Ordering Period through September 30, 2019.
- C. **Requirements Deadlines**—The Contractor shall comply with the requirements (as provided in Attachment A-2) for servicing federally held debt no later than July 1, 2014. If applicable, the Contractor shall also comply with the Supplemental Requirements (as provided in Attachment A-6), in accordance with Section B.12.N.14.
- D. **Quarterly Compliance Monitoring**—[Reserved]
- E. **Annual Compliance Audit**—[Reserved]
- F. **Allocation Methodology**—See Attachments A-4 and A-5.
- G. **Allocation Metrics**—See Attachments A-4 and A-5.
- H. **Performance Incentives/Metrics**—See Attachments A-4 and A-5.

I. **Price Definitions**—See Attachment A-3.

J. **Work Performed Outside the Continental United States**—The Contractor has represented to the Department that it will perform all work required under this Contract within the United States. If, at any time, the Contractor wishes to perform any Contract work outside the United States, the Contractor shall inform the Contracting Officer, in advance and in writing, of its intention and request the Department's approval. The Contractor shall not perform any Contract work outside the United States unless and until it has received the Contracting Officer's explicit, written approval to perform such work. In order to give proper consideration to the Contractor's request, the Department may ask for, and the Contractor shall provide, information relevant to the proposed performance outside the United States, including but not limited to a detailed description of the physical, personnel and management resources to be used and any potential difficulties or constraints in performing in the foreign jurisdiction. The Department may refuse to approve Contract performance outside the United States to the extent that, solely in the Department's judgment, the Contractor has not shown that performance outside the United States would satisfy the Contract requirements and would not impair or degrade performance. Further, the Department may refuse to approve any performance outside the United States for any other reason, or for no reason, except as otherwise required by the laws and treaties of the United States. The Department also may approve performance outside the United States subject to certain conditions, to which conditions the Contractor shall strictly adhere. Neither performance within the United States, nor the Department's refusal to allow performance outside the United States shall ever constitute a change to this Contract or give rise to any entitlement to additional compensation or excuse any failure of performance by the Contractor. Nothing in this clause shall be interpreted to impose any obligation on the Department to allow or to refuse a request for performance of this Contract outside the United States.

K. **Branding/Marketing Material**—Contractors may not solicit or promote other services/products they, or their affiliates, offer while servicing Department of Education borrowers, or Federally held debt. This includes all communication channels and touch points, such as but not limited to: inbound and outbound calls/email, web pages, any mailings specific to the status of their account, direct personal and automated interaction, etc.

Scenarios: (1) if the servicer services Federally and non-Federally held debt and offers combined billing, no marketing envelopes or inserts for other services/products may be issued; (2) if the servicer services Federally and non-Federally held debt and does NOT use combined billing, normal marketing may be provided for non-Federally held debt for other services/products; and (3) if the servicer services Federally and non-Federally held debt and is in personal contact, no marketing for other services/products may be discussed. If a borrower with in-school status seeks information regarding other products or services from the servicer, the borrower shall be directed to their school's Student Financial Assistance Office.

Any exception or ambiguity regarding the above shall be reviewed and approved by the Contracting Officer in advance.

L. **Invoicing and Non-Compliance** – Borrowers whose loans are not being serviced in compliance with the Requirements, Policy and Procedures for servicing federally held debt due to the fault of the servicer (e.g. correct interest calculations, correct balances, interest

determination and calculations, notices sent properly, proper due diligence, etc.), will not be billable to the Government from the initial point of non-compliance. Any funds that have been invoiced for these borrowers and paid shall be returned to the Government via a credit on the next invoice.

M. **Contracting Officer's Representative** – See Section B.15.

N. **Additional Terms:**

1. The Not-for-Profit (NFP) Servicing contracts are for any “eligible” and “qualified” entities (herein referred to as “Entity” or “Entities”, unless otherwise noted) in accordance with the Health Care and Education Reconciliation Act of 2010 (Pub.L. 111-152, 124 Stat. 1029) (herein referred to as “HCERA” and/or “SAFRA”) to manage all types of Title IV student aid obligations, including, but not limited to, servicing of outstanding debt. The initial task orders may cover servicing of loans under the William D. Ford Federal Direct Loan Program (DL), the Federal Family Education Loan (FFEL) Program, the Federally Insured Student Loan (FISL) Program, and/or Teacher Education Assistance for College and Higher Education (TEACH) Grants that have converted to Federal Direct Unsubsidized Stafford Loans (Entities will not be required to service/track TEACH Grants that are in grant status). National Option contracts are not Requirements contracts.
2. Each Contractor will provide, at a minimum, the services provided within their proposal, including all necessary and appropriate Default Aversion services, in accordance with the pricing identified in Term #3 below.
3. The Government will set and manage the common pricing, including tier structure, below:

**For the first 100,000 allocated borrower accounts ONLY, the following pricing shall apply:**

Category	Unit Price
Borrowers in In-school Status	\$ 1.150
Borrowers in Grace or Current Repayment Status	\$ 2.320
Borrowers in Deferment or Forbearance	\$ 2.280
Borrowers 31-90 Days Delinquent	\$ 1.780
Borrowers 91-150 Days Delinquent	\$ 1.650
Borrowers 151-270 Days Delinquent	\$ 1.510
Borrowers 270+ Days Delinquent	\$ 0.550
On-System Conversion Fees (Per Borrower Account)*	\$ 10.000
Incurred Start-Up Costs (Per Entity)**	Up to \$300,000

\*Applies to the first 100,000 borrower accounts each Entity loads onto its system for servicing. Billable only after actual conversion of accounts has occurred. No costs for off-system conversions/transfers shall apply.

\*\*Reimbursable ceiling amount for actual, reasonable, allowable, and allocable costs incurred in meeting the Government's stated requirements, in accordance with FAR 31.201. All costs under this category shall be subject to audit, and are only reimbursable after contract award.

**For all borrower accounts above the first 100,000 allocated accounts, the following pricing shall apply:**

Status	Volume Low	Volume High	Unit Price
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Borrowers in In-school Status			\$ 1.050
Borrowers in Grace or Current Repayment Status	1	3,000,000	\$ 2.110
	3,000,001	UP	\$ 1.900
Borrowers in Deferment or Forbearance	1	1,600,000	\$ 2.070
	1,600,001	UP	\$ 1.730
Borrowers 31-90 Days Delinquent			\$ 1.620
Borrowers 91-150 Days Delinquent			\$ 1.500
Borrowers 151-270 Days Delinquent			\$ 1.370
Borrowers 270+ Days Delinquent			\$ 0.500

Entities shall be responsible for the accurate tracking and proper invoicing of its borrower accounts, in accordance with the pricing structure above.

Out year pricing will follow the methodology described utilizing the subsequent terms. There will be no set declination in pricing at the time of award.

4. The Government has included an escalation methodology based upon the Bureau of Labor Statistics' (BLS) Employment Cost Index (ECI) for Total Compensation, Private Industry, Service Occupations (Not Seasonally Adjusted), to account for significant inflation and/or deflation. When the ECI exceeds 3.0% (plus or minus) in any given year the Government will adjust the established common pricing by any amount in excess of this rate. The calculated rate of escalation will equal the average of the 12-month percent change for the previous four quarters, ending June 30<sup>th</sup>. This ECI escalation will be applied beginning in September of the same calendar year. Further, this escalation will compound for all remaining years of the Base and Optional Ordering Periods.

For example, ECI rate released in June 2011 is 3.6%. The Government will increase unit pricing by .6% for the contract beginning September 1, 2011 and all remaining years of the Base Ordering Period, as well as the Optional Ordering Period.

A decreasing rate of inflation would follow the same pattern as above. For example, if the ECI decreases by more than 3.0%, then the unit prices for the remaining out-years will also decrease by the percentage in excess of 3.0%. For example, ECI rate released in June 2011 is -4.2%. The Government will decrease unit pricing by 1.2% for the contract period beginning September 1, 2011 and all remaining years of the Base Ordering Period, as well as the Optional Ordering Period.

5. Common pricing includes all supplies, services and other costs to deliver Title IV servicing under this contract, including:
- Costs for bringing Contractor systems into compliance for handling federally held debt.
  - Costs for legislative, regulatory or policy changes that affect the Federal Family Education Loan (FFEL) Program community but simultaneously satisfy Direct Loan servicing requirements.



- For all other costs, the Department and the Contractor(s) may come to an agreement via change order process or negotiation, as necessary.
6. **National Option**—The Government makes no guarantee to any Contractor that their organization will retain their current loan servicing volume. The Government will provide an initial allocation of 100,000 borrower accounts under this IDIQ contract, in accordance with the Health Care and Education Reconciliation Act of 2010 (Pub.L. 111-152, 124 Stat. 1029) (herein referred to as “HCERA” and/or “SAFRA”). However, the ability of the Contractor to retain and/or increase its allocation volume shall depend on the Contractor’s compliance with contractual/regulatory requirements, and performance. In the event of an inability to comply with contractual/regulatory requirements and/or a lack of satisfactory performance, the Government reserves the right to reduce the Contractor’s allocation at no additional cost to the Government.
  7. The Government reserves the right to periodically review and equitably adjust the rate structure to maintain effectiveness of the services provided (e.g., different volume breaks, different tiers, cost allocations, etc)
  8. The Government reserves the right to equitably introduce, eliminate, or modify loan deliverables/status items that are in the best interest of the Government or Borrower. (e.g., In-School Deferments moved into the In-School deliverable; new deferment or forbearance categories; etc).
  9. The Government reserves the right to unilaterally shift borrowers in the best interest of the Government or Borrowers, at no additional cost to the Government. It is anticipated that this will be done only with reasonable and prudent cause. This term is not subject to the Disputes and Appeals process provided in FAR Subpart 33.2.
  10. The Government retains the unilateral right to resolve split-borrowers as deemed appropriate by the Government, at no additional cost to the Government. This term is not subject to the Disputes and Appeals process provided in FAR Subpart 33.2.
  11. The Government reserves the right to periodically review and unilaterally adjust the performance and/or allocations metrics and/or methodology to maintain effectiveness of the services provided.
  12. An “eligible” and “qualified” Entity shall only receive the initial 100,000 account allocation once, regardless of future changes, and/or potentially multiple teaming arrangements.
  13. **Initial Allocation**—Initial Allocation will be scheduled so that Initial Allocations can be made in an efficient and prudent manner.
- Ongoing allocations (i.e. any allocation subsequent to an Entity’s Initial Allocation) shall be managed in accordance with the allocation methodology provided in this agreement.

**14. Performance Measurement/Allocation Methodology** – See Attachment A-4, “Ongoing Allocation Methodology – v3” and Attachment A-5, “SAMPLE ONLY—Ongoing Allocation Metric Calculation (National Option Only) – v3”.

- a. **National Option Only**—Once an Entity (and its team) has been collectively allocated two (2) million borrowers – that Entity shall also meet the Supplemental Requirements provided in Attachment A-6 at no additional cost to the Government and comply with the TIVAS terms and conditions provided as Attachment A-8, within six (6) months of receiving its two millionth borrower account and shall compete with the other TIVAS for allocation, making it no longer eligible to compete with the other non-TIVAS Entities for allocation. In the event that the Entity does not meet the Supplemental Requirements (provided in Attachment A-6) and the TIVAS terms and conditions (provided in Attachment A-8) within six (6) months of receiving the two millionth borrower account, the Government will reduce that Entity’s allocation volume by 200,000 borrower accounts each month, until the Entity has come into compliance with the Supplemental Requirements in Attachment A-6 and the TIVAS terms and conditions in Attachment A-8. These accounts may not be reinstated even after the Entity has come into compliance with the Supplemental Requirements in Attachment A-6 and the TIVAS terms and conditions in Attachment A-8.

**15. Key Subcontractors**—The Subcontractors listed below (or as specified in the Schedule of this contract) are considered essential for the purposes of determining the Contractor’s borrower account allocation and the capability to perform under this contract. Any subcontractor that has a material impact on the ability of the Contractor to perform under this agreement, as well as those for which credit is given for 100,000 borrower account allocation shall be considered Key, and shall be listed below (or as specified in the Schedule of this contract). No credit for 100,000 borrower account allocations shall be given to a subcontractor that is not listed as a Key Subcontractor below. Prior to removing, replacing, or diverting any of the Key Subcontractors, the Contractor shall notify the Contracting Officer (within a reasonable time or no less than 30 days in advance of taking any action) and shall submit justification (including proposed substitutions if necessary) in sufficient detail to permit evaluation of the impact on this contract. The removal, replacement, or diversion of any of the specified Subcontractors may result in a reduction of the Contractor’s allocation by up to 100,000 borrower accounts for each Subcontractor that is removed. No diversion shall be made by the Contractor without the written consent of the Contracting Officer; provided, that the Contracting Officer may ratify in writing the change and such ratification shall constitute the consent of the Contracting Officer required by this clause. The Subcontractors listed below (or as specified in the Schedule of this contract) may, with the consent of the contracting parties, be modified from time to time during the course of the contract to either add or delete Subcontractors, as appropriate.

No.	Key Subcontractor
1.	[Reserved]

2.	[Reserved]
3.	[Reserved]

16. If the Contractor's eligibility and/or qualification status under the Health Care and Education Reconciliation Act of 2010 (Pub.L. 111-152, 124 Stat. 1029) changes at any time after contract award so that it is no longer "eligible" and/or "qualified", the contract shall be automatically terminated at no additional cost to the Government. This action includes changes to the law that may alter the Contractor's status, funding, and/or other factors that have a material bearing on this contract.

**B.13 52.212-5 Contract Terms And Conditions Required To Implement Statutes Or Executive Orders—Commercial Items (AUG 2011)**

(a) The Contractor shall comply with the following Federal Acquisition Regulation (FAR) clauses, which are incorporated in this contract by reference, to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

- (1) 52.222-50, Combating Trafficking in Persons (Feb 2009) (22 U.S.C. 7104(g)).  
— Alternate I (Aug 2007) of 52.222-50 (22 U.S.C. 7104(g)).
  - (2) 52.233-3, Protest After Award (AUG 1996) (31 U.S.C. 3553).
  - (3) 52.233-4, Applicable Law for Breach of Contract Claim (OCT 2004) (Pub. L. 108-77, 108-78).
- (b) The Contractor shall comply with the FAR clauses in this paragraph (b) that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

*[Contracting Officer check as appropriate.]*

- (1) 52.203-6, Restrictions on Subcontractor Sales to the Government (Sept 2006), with Alternate I (Oct 1995) (41 U.S.C. 253g and 10 U.S.C. 2402).
- X (2) 52.203-13, Contractor Code of Business Ethics and Conduct (Apr 2010) (Pub. L. 110-252, Title VI, Chapter 1 (41 U.S.C. 251 note)).
- (3) 52.203-15, Whistleblower Protections under the American Recovery and Reinvestment Act of 2009 (June 2010) (Section 1553 of Pub. L. 111-5). (Applies to contracts funded by the American Recovery and Reinvestment Act of 2009.)
- X (4) 52.204-10, Reporting Executive Compensation and First-Tier Subcontract Awards (Jul 2010) (Pub. L. 109-282) (31 U.S.C. 6101 note).
- (5) 52.204-11, American Recovery and Reinvestment Act—Reporting Requirements (Jul 2010) (Pub. L. 111-5).
- (6) 52.209-6, Protecting the Government's Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment. (Dec 2010) (31 U.S.C. 6101 note).
- (7) 52.209-10, Prohibition on Contracting with Inverted Domestic Corporations (section 740 of Division C of Pub. L. 111-117, section 743 of Division D of Pub. L. 111-8, and section 745 of Division D of Pub. L. 110-161).
- (8) 52.219-3, Notice of Total HUBZone Set-Aside or Sole-Source Award (Jan 2011) (15 U.S.C. 657a).

- (9) 52.219-4, Notice of Price Evaluation Preference for HUBZone Small Business Concerns (JAN 2011) (if the offeror elects to waive the preference, it shall so indicate in its offer) (15 U.S.C. 657a).
- (10) [Reserved]
- (11)(i) 52.219-6, Notice of Total Small Business Set-Aside (June 2003) (15 U.S.C. 644).
  - (ii) Alternate I (Oct 1995) of 52.219-6.
  - (iii) Alternate II (Mar 2004) of 52.219-6.
- (12)(i) 52.219-7, Notice of Partial Small Business Set-Aside (June 2003) (15 U.S.C. 644).
  - (ii) Alternate I (Oct 1995) of 52.219-7.
  - (iii) Alternate II (Mar 2004) of 52.219-7.
- X (13) 52.219-8, Utilization of Small Business Concerns (Jan 2011) (15 U.S.C. 637(d)(2) and (3)).
- X (14)(i) 52.219-9, Small Business Subcontracting Plan (Jan 2011) (15 U.S.C. 637(d)(4)).
  - (ii) Alternate I (Oct 2001) of 52.219-9.
  - (iii) Alternate II (Oct 2001) of 52.219-9.
  - (iv) Alternate III (Jul 2010) of 52.219-9.
- (15) 52.219-14, Limitations on Subcontracting (Dec 1996) (15 U.S.C. 637(a)(14)).
- (16) 52.219-16, Liquidated Damages—Subcontracting Plan (Jan 1999) (15 U.S.C. 637(d)(4)(F)(i)).
- (17)(i) 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns (OCT 2008) (10 U.S.C. 2323) (if the offeror elects to waive the adjustment, it shall so indicate in its offer).
  - (ii) Alternate I (June 2003) of 52.219-23.
- (18) 52.219-25, Small Disadvantaged Business Participation Program—Disadvantaged Status and Reporting (Dec 2010) (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).
- (19) 52.219-26, Small Disadvantaged Business Participation Program—Incentive Subcontracting (Oct 2000) (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).
- (20) 52.219-27, Notice of Total Service-Disabled Veteran-Owned Small Business Set-Aside (May 2004) (15 U.S.C. 657 f).
- (21) 52.219-28, Post Award Small Business Program Rerepresentation (Apr 2009) (15 U.S.C. 632(a)(2)).
- (22) 52.219-29 Notice of Total Set-Aside for Economically Disadvantaged Women-Owned Small Business (EDWOSB) Concerns (Apr 2011).
- (23) 52.219-30 Notice of Total Set-Aside for Women-Owned Small Business (WOSB) Concerns Eligible Under the WOSB Program (Apr 2011).
- X (24) 52.222-3, Convict Labor (June 2003) (E.O. 11755).
- X (25) 52.222-19, Child Labor—Cooperation with Authorities and Remedies (Jul 2010) (E.O. 13126).
- X (26) 52.222-21, Prohibition of Segregated Facilities (Feb 1999).
- X (27) 52.222-26, Equal Opportunity (Mar 2007) (E.O. 11246).
- X (28) 52.222-35, Equal Opportunity for Veterans (Sep 2010) (38 U.S.C. 4212).
- X (29) 52.222-36, Affirmative Action for Workers with Disabilities (Oct 2010) (29 U.S.C. 793).
- X (30) 52.222-37, Employment Reports on Veterans (SEP 2010) (38 U.S.C. 4212).

- (31) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (Dec 2010) (E.O. 13496).
- X— (32) 52.222-54, Employment Eligibility Verification (JAN 2009). (Executive Order 12989). (Not applicable to the acquisition of commercially available off-the-shelf items or certain other types of commercial items as prescribed in 22.1803.)
- (33)(i) 52.223-9, Estimate of Percentage of Recovered Material Content for EPA—Designated Items (May 2008) (42 U.S.C. 6962(c)(3)(A)(ii)). (Not applicable to the acquisition of commercially available off-the-shelf items.)
- (ii) Alternate I (May 2008) of 52.223-9 (42 U.S.C. 6962(i)(2)(C)). (Not applicable to the acquisition of commercially available off-the-shelf items.)
- (34) 52.223-15, Energy Efficiency in Energy-Consuming Products (DEC 2007) (42 U.S.C. 8259b).
- (35)(i) 52.223-16, IEEE 1680 Standard for the Environmental Assessment of Personal Computer Products (DEC 2007) (E.O. 13423).
- (ii) Alternate I (DEC 2007) of 52.223-16.
- (36) 52.223-18, Encouraging Contractor Policies to Ban Text Messaging While Driving (AUG 2011) (E.O. 13513).
- (37) 52.225-1, Buy American Act—Supplies (Feb 2009) (41 U.S.C. 10a-10d).
- (38)(i) 52.225-3, Buy American Act—Free Trade Agreements—Israeli Trade Act (June 2009) (41 U.S.C. 10a-10d, 19 U.S.C. 3301 note, 19 U.S.C. 2112 note, 19 U.S.C. 3805 note, Pub. L. 108-77, 108-78, 108-286, 108-302, 109-53, 109-169, 109-283, and 110-138).
- (ii) Alternate I (Jan 2004) of 52.225-3.
- (iii) Alternate II (Jan 2004) of 52.225-3.
- (39) 52.225-5, Trade Agreements (AUG 2009) (19 U.S.C. 2501, *et seq.*, 19 U.S.C. 3301 note).
- X— (40) 52.225-13, Restrictions on Certain Foreign Purchases (June 2008) (E.O.'s, proclamations, and statutes administered by the Office of Foreign Assets Control of the Department of the Treasury).
- (41) 52.226-4, Notice of Disaster or Emergency Area Set-Aside (Nov 2007) (42 U.S.C. 5150).
- (42) 52.226-5, Restrictions on Subcontracting Outside Disaster or Emergency Area (Nov 2007) (42 U.S.C. 5150).
- (43) 52.232-29, Terms for Financing of Purchases of Commercial Items (Feb 2002) (41 U.S.C. 255(f), 10 U.S.C. 2307(f)).
- (44) 52.232-30, Installment Payments for Commercial Items (Oct 1995) (41 U.S.C. 255(f), 10 U.S.C. 2307(f)).
- X— (45) 52.232-33, Payment by Electronic Funds Transfer—Central Contractor Registration (Oct 2003) (31 U.S.C. 3332).
- (46) 52.232-34, Payment by Electronic Funds Transfer—Other than Central Contractor Registration (May 1999) (31 U.S.C. 3332).
- (47) 52.232-36, Payment by Third Party (Feb 2010) (31 U.S.C. 3332).
- X— (48) 52.239-1, Privacy or Security Safeguards (Aug 1996) (5 U.S.C. 552a).
- (49)(i) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) (46 U.S.C. Appx. 1241(b) and 10 U.S.C. 2631).
- (ii) Alternate I (Apr 2003) of 52.247-64.

(c) The Contractor shall comply with the FAR clauses in this paragraph (c), applicable to commercial services, that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

[Contracting Officer check as appropriate.]

- ☒ (1) 52.222-41, Service Contract Act of 1965 (Nov 2007) (41 U.S.C. 351, *et seq.*).
- ☒ (2) 52.222-42, Statement of Equivalent Rates for Federal Hires (May 1989) (29 U.S.C. 206 and 41 U.S.C. 351, *et seq.*).
- ☒ (3) 52.222-43, Fair Labor Standards Act and Service Contract Act—Price Adjustment (Multiple Year and Option Contracts) (Sep 2009) (29 U.S.C. 206 and 41 U.S.C. 351, *et seq.*).
- ☒ (4) 52.222-44, Fair Labor Standards Act and Service Contract Act—Price Adjustment (Sep 2009) (29 U.S.C. 206 and 41 U.S.C. 351, *et seq.*).
- ☒ (5) 52.222-51, Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration, or Repair of Certain Equipment—Requirements (Nov 2007) (41 U.S.C. 351, *et seq.*).
- ☒ (6) 52.222-53, Exemption from Application of the Service Contract Act to Contracts for Certain Services—Requirements (Feb 2009) (41 U.S.C. 351, *et seq.*).
- ☒ (7) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations (Mar 2009) (Pub. L. 110-247).
- ☒ (8) 52.237-11, Accepting and Dispensing of \$1 Coin (Sept 2008) (31 U.S.C. 5112(p)(1)).

(d) *Comptroller General Examination of Record*. The Contractor shall comply with the provisions of this paragraph (d) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, and does not contain the clause at 52.215-2, Audit and Records—Negotiation.

(1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.

(2) The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

(3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(e)(1) Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c), and (d) of this clause, the Contractor is not required to flow down any FAR clause, other than those in this paragraph (e)(1) in a subcontract for commercial items. Unless otherwise indicated below, the extent of the flow down shall be as required by the clause—

- (i) 52.203-13, Contractor Code of Business Ethics and Conduct (Apr 2010) (Pub. L. 110-252, Title VI, Chapter 1 (41 U.S.C. 251 note)).

- (ii) 52.219-8, Utilization of Small Business Concerns (Dec 2010) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds \$650,000 (\$1.5 million for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.
- (iii) [Reserved]
- (iv) 52.222-26, Equal Opportunity (Mar 2007) (E.O. 11246).
- (v) 52.222-35, Equal Opportunity for Veterans (Sep 2010) (38 U.S.C. 4212).
- (vi) 52.222-36, Affirmative Action for Workers with Disabilities (Oct 2010) (29 U.S.C. 793).
- (vii) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (Dec 2010) (E.O. 13496). Flow down required in accordance with paragraph (f) of FAR clause 52.222-40.
- (viii) 52.222-41, Service Contract Act of 1965 (Nov 2007) (41 U.S.C. 351, *et seq.*).
- (ix) 52.222-50, Combating Trafficking in Persons (Feb 2009) (22 U.S.C. 7104(g)).  
— Alternate I (Aug 2007) of 52.222-50 (22 U.S.C. 7104(g)).
- (x) 52.222-51, Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration, or Repair of Certain Equipment-Requirements (Nov 2007) (41 U.S.C. 351, *et seq.*).
- (xi) 52.222-53, Exemption from Application of the Service Contract Act to Contracts for Certain Services-Requirements (Feb 2009) (41 U.S.C. 351, *et seq.*).
- (xii) 52.222-54, Employment Eligibility Verification (Jan 2009).
- (xiii) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations (Mar 2009) (Pub. L. 110-247). Flow down required in accordance with paragraph (e) of FAR clause 52.226-6.
- (xiv) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) (46 U.S.C. Appx. 1241(b) and 10 U.S.C. 2631). Flow down required in accordance with paragraph (d) of FAR clause 52.247-64.
- (2) While not required, the contractor may include in its subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.

**B.14 EDAR 3452.209-70 Conflict of Interest Certification (MAR 2011)**

- (a) (1) The contractor, subcontractor, employee, or consultant, by signing the form in this clause, certifies that, to the best of its knowledge and belief, there are no relevant facts or circumstances that could give rise to an organizational or personal conflict of interest, (see FAR Subpart 9.5 for organizational conflicts of interest) (or apparent conflict of interest), for the organization or any of its staff, and that the contractor, subcontractor, employee, or consultant has disclosed all such relevant information if such a conflict of interest appears to exist to a reasonable person with knowledge of the relevant facts (or if such a person would question the impartiality of the contractor, subcontractor, employee, or consultant). Conflicts may arise in the following situations:
  - (i) *Unequal access to information.* A potential contractor, subcontractor, employee, or consultant has access to nonpublic information through its performance on a government contract.

(ii) *Biased ground rules.* A potential contractor, subcontractor, employee, or consultant has worked, in one government contract, or program, on the basic structure or ground rules of another government contract.

(iii) *Impaired objectivity.* A potential contractor, subcontractor, employee, or consultant, or member of their immediate family (spouse, parent, or child) has financial or other interests that would impair, or give the appearance of impairing, impartial judgment in the evaluation of government programs, in offering advice or recommendations to the government, or in providing technical assistance or other services to recipients of Federal funds as part of its contractual responsibility. "*Impaired objectivity*" includes but is not limited to the following situations that would cause a reasonable person with knowledge of the relevant facts to question a person's objectivity:

(A) Financial interests or reasonably foreseeable financial interests in or in connection with products, property, or services that may be purchased by an educational agency, a person, organization, or institution in the course of implementing any program administered by the Department;

(B) Significant connections to teaching methodologies or approaches that might require or encourage the use of specific products, property, or services; or

(C) Significant identification with pedagogical or philosophical viewpoints that might require or encourage the use of a specific curriculum, specific products, property, or services.

(2) Offerors must provide the disclosure described above on any actual or potential conflict of interest (or apparent conflict of interest) regardless of their opinion that such a conflict or potential conflict (or apparent conflict of interest) would not impair their objectivity.

(3) In a case in which an actual or potential conflict (or apparent conflict of interest) is disclosed, the Department will take appropriate actions to eliminate or address the actual or potential conflict, including but not limited to mitigating or neutralizing the conflict, when appropriate, through such means as ensuring a balance of views, disclosure with the appropriate disclaimers, or by restricting or modifying the work to be performed to avoid or reduce the conflict. In

this clause, the term "potential conflict" means reasonably foreseeable conflict of interest.

(b) The contractor, subcontractor, employee, or consultant agrees that if "impaired objectivity", or an actual or potential conflict of interest (or apparent conflict of interest) is discovered after the award is made, it will make a full disclosure in writing to the contracting officer. This disclosure shall include a description of actions that the contractor has taken or proposes to take to avoid, mitigate, or neutralize the actual or potential conflict (or apparent conflict of interest).

(c) *Remedies.* The Government may terminate this contract for convenience, in whole or in part, if it deems such termination necessary to avoid the appearance of a conflict of interest. If the contractor was aware of a potential conflict of interest prior to award or discovered an actual or potential conflict after award and did not disclose or misrepresented relevant information to the contracting officer, the Government may terminate the contract for default, or pursue such other remedies as may be permitted by law or this contract. These remedies include imprisonment for up to five years for violation of 18 U.S.C. 1001 and fines of up to \$5000 for violation of 31



U.S.C. 3802. Further remedies include suspension or debarment from contracting with the Federal government. The contractor may also be required to reimburse the Department for costs the Department incurs arising from activities related to conflicts of interest. An example of such costs would be those incurred in processing Freedom of Information Act requests related to a conflict of interest.

(d) In cases where remedies short of termination have been applied, the contractor, subcontractor, employee, or consultant agrees to eliminate the organizational conflict of interest, or mitigate it to the satisfaction of the contracting officer.

(e) The contractor further agrees to insert in any subcontract or consultant agreement hereunder, provisions that conform substantially to the language of this clause, including specific mention of potential remedies and this paragraph (e).

(f) *Conflict of Interest Certification.* The offeror, [insert name of offeror], hereby certifies that, to the best of its knowledge and belief, there are no present or currently planned interests (financial, contractual, organizational, or otherwise) relating to the work to be performed under the contract or task order resulting from Request for Proposal No. [insert number] that would create any actual or potential conflict of interest (or apparent conflicts of interest) (including conflicts of interest for immediate family members: spouses, parents, children) that would impinge on its ability to render impartial, technically sound, and objective assistance or advice or result in it being given an unfair competitive advantage. In this clause, the term "potential conflict" means reasonably foreseeable conflict of interest. The offeror further certifies that it has and will continue to exercise due diligence in identifying and removing or mitigating, to the Government's satisfaction, such conflict of interest (or apparent conflict of interest).

Offeror's Name \_\_\_\_\_

RFP/Contract No \_\_\_\_\_

Signature \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

**B.15 EDAR 3452.201-70 Contracting Officer's Representative (COR) (MAR 2011)**

(a) The Contracting Officer's Representative (COR) is responsible for the technical aspects of the project, technical liaison with the contractor, and any other responsibilities that are specified in the contract. These responsibilities include inspecting all deliverables, including reports, and recommending acceptance or rejection to the contracting officer.

(b) The COR is not authorized to make any commitments or otherwise obligate the Government or authorize any changes that affect the contract price, terms, or conditions. Any contractor requests for changes shall be submitted in writing directly to the contracting officer or through the COR. No such changes shall be made without the written authorization of the contracting officer.

(c) The COR's name and contact information:

Lynn Smith  
Federal Student Aid  
830 First Street, NE

Suite 63H1  
Washington, DC 20202  
Email: [lynn.smith@ed.gov](mailto:lynn.smith@ed.gov)  
Phone: 202.377.3577

(d) The COR may be changed by the Government at any time, but notification of the change, including the name and address of the successor COR, will be provided to the contractor by the contracting officer in writing.

**B.16 EDAR 3452.227-70 Publication and publicity (MAR 2011)**

(a) Unless otherwise specified in this contract, the contractor is encouraged to publish and otherwise promote the results of its work under this contract. A copy of each article or work submitted by the contractor for publication shall be promptly sent to the contracting officer's representative. The contractor shall also inform the representative when the article or work is published and furnish a copy in the published form.

(b) The contractor shall acknowledge the support of the Department of Education in publicizing the work under this contract in any medium. This acknowledgement shall read substantially as follows: "This project has been funded at least in part with Federal funds from the U.S. Department of Education under contract number [Insert number]. The content of this publication does not necessarily reflect the views or policies of the U.S. Department of Education nor does mention of trade names, commercial products, or organizations imply endorsement by the U.S. Government."

**B.17 EDAR 3452.227-71 Advertising of awards (MAR 2011)**

The contractor agrees not to refer to awards issued by, or products or services delivered to, the Department of Education in commercial advertising in such a manner as to state or imply that the product or service provided is endorsed by the Federal government or is considered by the Federal government to be superior to other products or services.

**B.18 EDAR 3452.237-71 Observance of administrative closures (MAR 2011)**

(a) The contract schedule identifies all Federal holidays that are observed under this contract. Contractor performance is required

under this contract at all other times, and compensated absences are not extended due to administrative closures of Government facilities and operations due to inclement weather, Presidential decree, or other administrative issuances where Government personnel receive early dismissal instructions.

(b) In cases of contract performance at a Government facility when the facility is closed, the vendor may arrange for performance to continue during the closure at the contractor's site, if appropriate.

**B.19 EDAR 3452.239-72 Department security requirements (MAR 2011)**

- (a) The contractor and its subcontractors shall comply with Department security policy requirements as set forth in the "Bidder's Security Package: Security Requirements for Contractors Doing Business with the Department of Education" at <http://www.ed.gov/fund/contract/about/bsp.html>.
- (b) The following are the contractor employee positions required under this contract and their designated risk levels: High Risk (HR): [Specify HR positions.] Moderate Risk (MR): [Specify MR positions.] Low Risk (LR): [Specify LR positions.]
- (c) All contractor employees must undergo personnel security screening if they will be employed for 30 days or more, in accordance with Departmental Directive OM:5-101, "Contractor Employee Personnel Security Screenings." The type of screening and the timing of the screening will depend upon the nature of the contractor position, the type of data to be accessed, and the type of information technology (IT) system access required. Personnel security screenings will be commensurate with the risk and magnitude of harm the individual could cause.
- (d) The contractor shall—(1) Ensure that all non-U.S. citizen contractor employees are lawful permanent residents of the United States or have appropriate work authorization documents as required by the Department of Homeland Security, Bureau of Immigration and Appeals, to work in the United States. (2) Ensure that no employees are assigned to high risk designated positions prior to a completed preliminary screening. (3) Submit all required personnel security forms to the contracting officer's representative (COR) within 24 hours of an assignment to a Department contract and ensure that the forms are complete. (4) Ensure that no contractor employee is placed in a higher risk position than that for which he or she was previously approved, without the approval of the contracting officer or the COR, the Department personnel security officer, and the Department computer security officer. (5) Ensure that all contractor employees occupying high-risk designated positions submit forms for reinvestigation every five years for the duration of the contract or if there is a break in service to a Department contract of 365 days or more. (6) Report to the COR all instances of individuals seeking to obtain unauthorized access to any departmental IT system, or sensitive but unclassified and/or Privacy Act protected information. (7) Report to the COR any information that raises an issue as to whether a contractor employee's eligibility for continued employment or access to Department IT systems, or sensitive but unclassified and/or Privacy Act protected information, promotes the efficiency of the service or violates the public trust. (8) Withdraw from consideration under the contract any employee receiving an unfavorable adjudication determination. (9) Officially notify each contractor employee if he or she will no longer work on a Department contract. (10) Abide by the requirements in Departmental Directive OM:5-101, "Contractor Employee Personnel Security Screenings."

(e) Further information including definitions of terms used in this clause and a list of required investigative forms for each risk designation are contained in Departmental Directive OM:5-101, "Contractor Employee Personnel Security Screenings" available at the Web site listed in the first paragraph of this clause.

(f) Failure to comply with the contractor personnel security requirements may result in a termination of the contract for default.

**B.20 EDAR 3452.242-71 Notice to the Government of delays (MAR 2011)**

The contractor shall notify the contracting officer of any actual or potential situation, including but not limited to labor disputes, that delays or threatens to delay the timely performance of work under this contract. The contractor shall immediately give written notice thereof, including all relevant information.

**B.21 EDAR 3452.242-73 Accessibility of meetings, conferences, and seminars to persons with disabilities (MAR 2011)**

The contractor shall assure that any meeting, conference, or seminar held pursuant to the contract will meet all applicable standards for accessibility to persons with disabilities pursuant to section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794) and any implementing regulations of the Department.

**B. 22 Special Contract Requirements for Government Furnished Property – Two Factor Authentication Tokens (TFA).**

In addition to the requirements of 52.245-1(b) - Government Property, the Servicer shall:

- a) Ensure the Servicer's Government Property Manager or designee shall sign a distribution letter provide by the Contracting Officer upon receipt of Government Property;
- b) Comply with instructions on how to register the tokens using the Federal Student Aid Two Factor Authentication Token For FSA User Handout distributed with the tokens;
- c) Seek immediate assistance with any challenges encountered with FSA CITRIX and TFA and immediately report any security or other incidents by telephone or email to the helpdesk at: 1-877-603-4188 or [ed.customer.service@ed.gov](mailto:ed.customer.service@ed.gov) and;
- d) Provide a Property Management Plan to the Contracting Officer within 5 business days of receipt of the Government Furnished Property. Among other requirements stated under FAR 52.245-1(b), the Property Management Plan must contain at minimum the following:
  - Description of how the Servicer will establish and maintain an auditable record of the token assignment to its employees by individual name and token Serial Number (AVT+9 digits);
  - Method by which the Servicer shall ensure that the serial number label on the back of each token remains legible and secure to the device.

- Security and management process for the physical devices as well as changes in assignment.
- e) Upon written notification from the Contracting Officer, the Servicer shall affirm its understanding and compliance with the Government's requirement for quarterly re-certification of user access and token activation. In the event of any reported security breach, the Government shall immediately disable or deactivate Servicer access to its network without prior notice.
- f) The tokens provided to UHEAA are identified by the serial numbers stated in Attachment A-9.

## **C. STATEMENT OF OBJECTIVES (SOO)**

### **C.1 General Description Of Scope/Purpose**

#### **C.1.1 Federal Student Aid Background/Overview**

Federal Student Aid (FSA), an office of the U.S. Department of Education, plays a central and essential role in America's postsecondary education community.

FSA's core mission is to ensure that all eligible individuals benefit from federal financial assistance—grants, loans and work-study programs—for education beyond high school. The programs that FSA administers comprise the nation's largest source of student aid: each year, FSA provides more than \$100 billion in new aid to nearly 14 million postsecondary students and their families. FSA's staff of 1,100 is based in 10 cities, in addition to its Washington, D.C. headquarters.

#### **C.1.2 Current Need**

The Department seeks to contract with "eligible" and "qualified" entities to service Title IV student financial aid, in accordance with Section 2212 of the Health Care and Education Reconciliation Act of 2010 (Pub.L. 111-152, 124 Stat. 1029), which provides that:

"The Secretary shall contract with each eligible not-for-profit servicer to service loans originated under this part, if the servicer—

(I) meets the standards for servicing Federal assets that apply to contracts awarded pursuant to paragraph (1); and

(II) has the capacity to service the applicable loan volume allocation described in subparagraph (B)."

#### **C.1.3 Objective**

Acquire efficient and effective commercial contract services from "eligible" and "qualified" entities to manage all types of Title IV student aid obligations, including, but not limited to, servicing of outstanding debt.

#### **C.1.4 Constraints**

**C.1.4.1** Specific compliance activities for servicing Federally held assets include, but are not limited to the requirements for servicing federally-held debt, as provided herein.

**C.1.4.2** In order to manage the costs associated with such a potentially large portfolio, the service must provide innovative measures to ensure portfolio growth is not the key driver of total cost. Contractor incentives must be based on performing assets, rather than transaction or activity based delinquency incentives. Costs may also be managed through redistribution of customers to self-service options, as approved by the Government. Performance measures will help ensure that the complete service operates as efficiently and effectively as possible and that it is achieving the desired

business outcomes. These measurements will be flexible to allow for regular reviews and revisions as necessary.

**C.1.4.3** The Contractor(s) will be responsible for maintaining a full understanding of all federal and state laws and regulations and FSA requirements and ensuring that all aspects of the service continue to remain in compliance as changes occur.

**For example**, Federal Student Aid anticipates that the McNamara-O'Hara Service Contract Act of 1965 (as provided in Section B.13(c)(1)) will apply to the services performed under this procurement. At a minimum, the Contractor(s) shall:

- (a) Identify the locations in which it anticipates performance to occur;
- (b) Identify the appropriate wage determination for each location identified (Prevailing wage determinations can be found using the WDOL website: <http://www.wdol.gov/>); and
- (c) Within each applicable wage determination, ensure that all appropriate labor categories that the servicer plans to utilize are **properly and accurately** classified within the wage determination, and that these employees are compensated in accordance with the prevailing wage determination.
- (d) In the event that the labor category is subject to the Service Contract Act but is not accurately captured in the wage determination for a given location, the Contractor shall follow the process described in FAR Subpart 22.1019 and submit a "Request For Authorization of Additional Classification and Rate" (SF 1444) to the Contracting Officer for a conformance.

The preceding steps provide a high-level example of some steps that may be necessary for adhering to the Service Contract Act, but is not a comprehensive list.

**C.1.4.4** The Contractor(s) will provide a service flexible enough to handle new requirements generated by Congress and respond to legislative mandates and policy changes. Please see Attachment A-1 – *Standards and Relevant Documents* for historical and current representative information.

**C.1.4.5** The Contractor(s) will provide timely (as defined by FSA and Contractor) responses to Office of Inspector General (OIG), General Accounting Office (GAO), budget, data, and management requests.

**C.1.4.6** It is understood and mutually agreed that the Department of Education has exclusive ownership of all information stored, retrieved, modified, and/or archived as part of this service. The Contractor shall have no rights in such information and no rights to such information shall vest on the Contractor by virtue of its performance of this contract. No other party has the right to copy, delete, archive, or transfer such information without the prior express written consent of the Department of Education. The Contractor shall not use such information for any marketing or solicitation

purpose including, but not limited to, commercial advertising, credit offers, or similar campaigns.

**C.2 Attachments/Supplemental Documents**

Number	Title
A-1	Historical and Current Representative Sample of <i>Standards and Relevant Documents</i> (v2)
A-2	Not-For-Profit (NFP) High-Level Federal Servicer Requirements (Version 6.0)
A-3	Servicing Pricing Definitions
A-4	Ongoing Allocation Methodology – v3
A-5	SAMPLE ONLY—Ongoing Allocation Metric Calculation (National Option Only) – v3
A-6	Supplemental Not-For-Profit (NFP) High-Level Federal Servicer Requirements (Version 1.0)
A-7	Wage Determination # WD 005-2531 (Rev. -11)
A-8	TIVAS Terms and Conditions (v2)
A-9	Two Factor Authentication Tokens Serial Numbers



**Attachment A-1**  
Historical and Current representative sample of *Standards and Relevant Documents* (v2)

*\*Note: This document is intended to provide a SAMPLE of standards and documents that may be relevant in performance of this contract. This is not intended to provide a comprehensive or complete list of laws and regulations that may apply. While it is the intent of the Government to provide current and accurate Uniform Resource Locators (URLs) to the references below, it is the responsibility of the contractor to ensure that it has referenced and complies with the documents provided herein, as applicable. If the contractor experiences difficulty in accessing any of these documents, the contractor shall notify the Department immediately for assistance. It is the contractor's responsibility to ensure it complies with all applicable laws and regulations in performance of this agreement, in accordance with the terms of the contract.*

**United States Department of Education Information and Resources**

- Title IV Student Aid Programs Regulations (34 CFR Parts 600-694)
  - [http://www.access.gpo.gov/nara/cfr/waisidx\\_04/34cfr600\\_04.html](http://www.access.gpo.gov/nara/cfr/waisidx_04/34cfr600_04.html)
- Review of Student Aid Regulations Under Title IV of the Higher Education Act of 1965
  - <http://www.ed.gov/offices/ODS/regreview/index.html>
- Amendments to the Higher Education Act of 1965
  - <http://edlabor.house.gov/education/higher-education/>
- Department of Education Priorities
  - <http://www.ed.gov/about/priorities.jsp>
- Information for Financial Aid Processionals (IFAP) Library
  - <http://www.ifap.ed.gov/>
- U.S. Department of Education Records Disposition Schedules
  - [www.ed.gov/policy/gen/guid/fra/intro-02sch.pdf](http://www.ed.gov/policy/gen/guid/fra/intro-02sch.pdf)
- Security Requirements for Contractors Doing Business with the Department of Education
  - [www.ed.gov/fund/contract/about/bsp.html](http://www.ed.gov/fund/contract/about/bsp.html)

**Applicable Federal Public Laws and Regulations**

- Title IV Student Aid Programs Regulations (34 CFR Parts 600-694)
  - [http://www.access.gpo.gov/nara/cfr/waisidx\\_04/34cfr600\\_04.html](http://www.access.gpo.gov/nara/cfr/waisidx_04/34cfr600_04.html)
- Review of Student Aid Regulations Under Title IV of the Higher Education Act of 1965
  - <http://www.ed.gov/offices/ODS/regreview/index.html>
- Amendments to the Higher Education Act of 1965
  - <http://edlabor.house.gov/education/higher-education/>
- Fair Debt Collection Practices Act
  - <http://www.ftc.gov/os/statutes/fdcpajump.htm>

## Attachment A-1

- Computer Fraud and Abuse Act of 1987
  - <http://www.cio.energy.gov/documents/ComputerFraud-AbuseAct.pdf>
- Computer Matching and Privacy Protection Act of 1988, as amended
  - [http://thomas.loc.gov/cgi-bin/bdquery/z?d100:SN00496:](http://thomas.loc.gov/cgi-bin/bdquery/z?d100:SN00496;)
- Government Paperwork Elimination Act (GPEA)
  - <http://www.ed.gov/policy/gen/leg/gpea/index.html>
- Section 508 of the Rehabilitation Act of 1973
  - <http://www.section508.gov/>
- Electronic Signatures in Global and National Commerce Act of 2000 (E-Sign)
  - [http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=106\\_cong\\_bills&docid=fs761enr.txt.pdf](http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=106_cong_bills&docid=fs761enr.txt.pdf)
- Gramm-Leach-Bliley Act
  - <http://www.senate.gov/~banking/conf/>

### **Standards Resources**

- International Organization for Standardization
  - <http://www.iso.ch/iso/home.htm>
- National Institute of Standards and Technology
  - <http://www.nist.gov/>
- Software Engineering Institute (SEI) and the Capability Maturity Model (CMM)
  - <http://www.sei.cmu.edu/cmml/>
- FIPS PUB 113 – “Computer Data Authentication”
  - <http://www.itl.nist.gov/fipspubs/fip113.htm>

### **Executive Orders and Executive Office Guidance**

- Executive Order 13231 - "Critical Infrastructure Protection in the Information Age"
  - <http://www.whitehouse.gov/news/releases/2001/10/20011016-12.html>
- Executive Order 13228 - "Establishing the Office of Homeland Security and the Homeland Security Council"
  - <http://www.whitehouse.gov/news/releases/2001/10/20011008-2.html>
- Executive Order 13011 - "Federal Information Technology"
  - <http://www.cio.gov/Documents/federal%5Fit%5FJul%5F1996%2Ehtml>

### **Office of Management and Budget (OMB) Circulars, Memoranda, and Other Guidance on Information Technology**

- OMB Circular A-123 – “Internet Control Systems”
  - <http://www.whitehouse.gov/omb/circulars/a123/a123.html>
- OMB Circular A-127 – “Financial Management Systems”
  - <http://www.whitehouse.gov/omb/circulars/a127/a127.html>
- OMB Circular A-130 – “Management of Federal Information Resources”, Appendix III – “Security of Federal Information Resources”
  - <http://www.whitehouse.gov/omb/circulars/a130/a130.html>
- NIST Special Publication 800-18 – “Guide for Developing Security Plans for Information Technology Systems”

Attachment A-1

- <http://esrc.nist.gov/publications/nistpubs/800-18-Rev1/sp800-18-Rev1-final.pdf>
- OMB Memorandum 97-02 – “Funding Information Systems Investments”
  - <http://www.whitehouse.gov/omb/memoranda/m97-02.html>
- OMB Memorandum 97-16 – “Information Technology Architectures”
  - <http://www.whitehouse.gov/omb/memoranda/m97-16.html>
- OMB Memorandum 00-15 – “OMB Guidance on Implementing the Electronic Signatures in Global and National Commerce Act”
  - <http://www.whitehouse.gov/omb/memoranda/m00-15.html>
- OMB Memorandum 01-08 – “Guidance on Implementing the GISRA”
  - <http://www.whitehouse.gov/omb/memoranda/m01-08.pdf>
- OMB Memorandum 01-24 – “Reporting Instructions for the GISRA”
  - <http://www.whitehouse.gov/omb/memoranda/m01-24.pdf>
- US General Accounting Office Accounting and Information Management Division (GAO/AIMD) Report 94-115 – “Executive Guide: Improving Mission Performance Through Strategic Information Management and Technology”
  - <http://www.gao.gov/special.pubs/ai94115.pdf>
- 1098E – Student Loan Interest Information Reporting
  - <http://www.unclefed.com/Tax-Bulls/1998/not98-07.pdf>

**Other**

- IRS Publication 1075 – “Tax Information Security Guidelines for Federal, State, and Local Agencies”
  - <http://www.irs.gov/pub/irs-pdf/p1075.pdf>

(End of Attachment A-1)

## Attachment A-2

### Not-For-Profit (NFP) High-Level Federal Servicer Requirements

High Level Requirements		Requirement Category
1	The servicer shall have the ability to service FFEL, Direct, and FISL loans as required by statutory and regulatory guidelines.	Processing & Servicing
2	The servicer shall have the ability to assess charge/fees (i.e. Non Sufficient Funds or late charges). <i>Note: no charges for other fees on loans in the ED portfolio are to be assessed at this time.</i>	Processing & Servicing
3	The servicer shall have the ability to support borrower benefit plans.	Processing & Servicing
4	The servicer shall process discharge transactions after receiving and reviewing required supporting documentation meeting the required regulatory guidelines and receiving FSA approval.	Processing & Servicing
5	The servicer shall provide FSA the ability to access account information on FSA accounts that exist on the servicer's system.	Processing & Servicing
6	The servicer shall provide FSA the ability to access to image information on FSA accounts that exist on the servicer's system.	Processing & Servicing
7	The servicer shall provide access for FSA to listen to live and/or recorded inbound and outbound calls.	Processing & Servicing
8	The Servicer shall process government initiated control mail.	Processing & Servicing
9	The Servicer shall provide repayment plans for all loans types, including plans in existence prior to, and after, the Higher Education Reconciliation Act of 2005 (HERA). Servicers will also need to implement the Income Contingent Repayment plan.	Processing & Servicing
10	The servicer shall perform reconciliations of portfolio balances and financial activity.	Financial Reports & Reconciliation
11	The servicer shall provide accounting reports needed for reconciliations.	Financial Reports & Reconciliation
12	The servicer shall perform daily, weekly and monthly internal system balancing of all payment activity accepted from all sources (manual and via system interface).	Financial Reports & Reconciliation
13	The servicer shall create a financial interface between the FSA servicer and FSA Financial Management System (FMS) to provide financial data to FMS on a daily, weekly and monthly basis.	FMS Interface
14	The servicer shall accurately translate (map) each servicing transaction from the Servicer's subsidiary ledger to FSA's general ledger (FMS).	FMS Interface

## Attachment A-2

### Not-For-Profit (NFP) High-Level Federal Servicer Requirements

15	The servicer shall uniquely identify each specific activity (e.g., Collection of Principal, Collection of Interest, etc.) at a transaction level for all loans in the federal portfolio.	Financial Activity and Transactions
16	The servicer shall provide activity reports needed for reconciliations.	Financial Activity and Transactions
17	The servicer shall obtain daily deposit information from Treasury systems and shall post payments to the borrower accounts on the same date of receipt.	Financial Activity and Transactions
18	The servicer shall perform due diligence to research payments held in suspense for the purpose of resolving the unposted items (posting to borrower account, refunding, or escheatment).	Financial Activity and Transactions
19	The servicer shall manage credit balance accounts, and other payments and accounts requiring a refund; processing payments refunds via interface with FSA's Financial Management System (FMS).	Financial Activity and Transactions
20	The servicer shall assign and retain the Credit Reform Code (CRC), recording and reporting on all loan related transactions at the CRC level.	Financial Activity and Transactions
21	The servicer shall incorporate a system of internal controls consistent with federal laws, regulations, policies and authoritative guidance. These laws, regulations, and guidance include, but are not limited to: Federal Financial Management Improvement Act (FFMIA); Federal Managers' Financial Integrity Act (FMFIA); CFO Act; Government Performance and Results Act (GPRA); GAO's Green Book; OMB Circulars A-123, 1-127, and A-130; Joint Financial Management Improvement Program (JFMIP); and Treasury Financial Manual (TFM).	Financial Activity and Transactions
22	The servicer shall maintain unique standard reporting for loans within each Program (i.e. 08/09 Loan Purchase Program, Puts from 08/09 Participation Program, 09/10 Loan Purchase program, Conduit, Direct Loan, etc.)	Financial Activity and Transactions
23	The servicer shall develop an interface with Treasury designated services (Treasury Lockbox, Pay.gov, Remittance Express, IPAC, TRS, etc.) and send/receive data via these interfaces.	Treasury - Lockbox/Cashlink/TRS/Pay.gov
24	The servicer shall require entities making payments on federally held loans (borrowers, lenders, etc) to direct payments to a Treasury designated service. NOTE: Payments on non-federally held loans can not be directed to a Treasury service.	Treasury - Lockbox/Cashlink/TRS/Pay.gov
25	The Servicer shall provide support for OMB Circular A-123. Includes process flows, improper payment reporting, walkthroughs, samples, etc.	Internal Controls & Audits

## Attachment A-2

### Not-For-Profit (NFP) High-Level Federal Servicer Requirements

26	The Servicer shall provide data downloads, samples, walkthroughs, process documentation and additional work products to support audits.	Internal Controls & Audits
27	The servicer shall be responsible for resolving all deficiencies identified during audits and participating in corrective action plans as needed.	Internal Controls & Audits
28	The Servicer shall provide operational and portfolio reports.	Operational & Portfolio Reporting
29	The Servicer shall provide support to provide FSA requested ad hoc reports when requested.	Operational & Portfolio Reporting
30	The servicer shall create an interface between the FSA servicer and NSLDS and provide loan and borrower level information to NSLDS via SAIG on a weekly basis.	NSLDS
31	The servicer shall accept NSLDS enrollment information and update borrower accounts based on enrollment updates.	NSLDS
32	The servicer shall resolve NSLDS errors and data conflicts.	NSLDS
33	The servicer shall create an interface between the FSA servicer and the Total & Permanent Disability System (TPD).	Total & Permanent Disability
34	The servicer shall accept and review applications from borrowers applying for TPD.	Total & Permanent Disability
35	The servicer shall resolve any TPD System interface errors and data conflicts.	Total & Permanent Disability
36	The servicer shall transfer borrowers/loans that qualify for TPD to the TPD system.	Total & Permanent Disability
37	The servicer shall accept reinstated loans transferred from the TPD System and begin servicing the loans.	Total & Permanent Disability
38	The servicer shall process all applicable financial transactions when transferring loans to, or receiving loans from, the TPD system.	Total & Permanent Disability
39	The servicer shall create an interface between the FSA servicer and the Federal Debt Collection System.	Debt Collection
40	The servicer shall resolve any Debt Collection interface errors and data conflicts.	Debt Collection
41	The servicer shall transfer defaulted borrowers/loans to the Debt Collection system.	Debt Collection
42	The servicer shall accept rehabilitated loans transferred from the Debt Collection system and begin servicing the loans.	Debt Collection

## Attachment A-2

### Not-For-Profit (NFP) High-Level Federal Servicer Requirements

43	The servicer shall process all applicable financial transactions when transferring loans to, or receiving loans from, the Debt Collection system.	Debt Collection
44	The servicer shall create an interface between the FSA servicer and the Direct Loan Consolidation System (DLCS).	Consolidation (Payoff interface)
45	The servicer shall accept and respond to consolidation inquiries via the interface with DLCS (similar to LVC process).	Consolidation (Payoff interface)
46	The servicer shall accept and process consolidation payoffs via the interface with DLCS.	Consolidation (Payoff interface)
47	The servicer shall process all applicable financial transactions resulting from consolidation payoffs received.	Consolidation (Payoff interface)
48	The servicer shall resolve any DLCS interface errors and data conflicts.	Consolidation (Payoff interface)
49	The servicer shall comply with all federal standards related to records management. (such as citations to pertinent laws, codes and regulations such as 44 U.S.C chapters 21, 29, 31 and 33; Freedom of Information Act (5 U.S.C. 552); Privacy Act (5 U.S.C. 552a); 36 CFR Part 1222 and Part 1228)	Record Retention
50	The servicer shall provide support for walkthroughs and/or site visits by FSA and/or FSA designees.	Compliance & Monitoring Reviews
51	The servicer shall support annual program compliance reviews by FSA, or by an agent of FSA	Compliance & Monitoring Reviews
52	The servicer shall support quarterly monitoring reviews completed by FSA (including providing walkthroughs, procedures, samples, process flows, training materials, etc.).	Compliance & Monitoring Reviews
53	The servicer shall meet all statutory and legislative requirements.	Other
54	The servicer shall have the ability to send and receive loan transfers to/from all federal servicers via a common format.	Other
55	The servicer shall complete all financial transactions, reconciliation, and reporting resulting from transfers to/from all federal servicers.	Other
56	The servicer shall respond to draft and official cohort default rate (incorrect data) challenges.	Other
57	The Servicer shall restrict access to FSA held loans being serviced and segregate them from all other loans on their system. Access must be limited to personnel who have obtained proper clearances and who are specifically authorized to view or perform transactions and services on loans held by FSA.	Security

## Attachment A-2

### Not-For-Profit (NFP) High-Level Federal Servicer Requirements

58	The servicer shall provide previous security information from the past three years to include a discussion of security incidents; and audits like SAS 70s, Sarbanes Oxley reviews, independent security assessments, risk assessments, and/or internal reviews along with the applicable remediation plans.	Security
59	The servicer shall provide existing security documentation like its security organizational structure, its system's boundary, existing security policy, procedures, and plans.	Security
60	<p>The servicer shall complete personnel background screening requirements:</p> <p>a) All personnel are required to complete a federal background clearance based on their position risk level. Background clearances are submitted on line via Office of Personnel Management (OPM)'s Electronic Questionnaire for Investigations Process (e-Qip). Contractor employees who have undergone appropriate personnel security screening for another federal agency may submit proof of personal security screening for validation. (Attached Security Attachment A -Department of Education's Directive for Contractor Employee Personnel Security Screenings.)</p> <p>b) Preliminary clearances must be completed for high-risk positions prior to working on Federal Student Aid systems or data (This process can take 2-6 weeks). Moderate and low risk positions must submit background clearance paperwork prior to working on Federal Student Aid computer resources.</p> <p>c) Non-U.S. Citizen may be assigned to a High Risk IT (6C) level position, provided: he/she is a Lawful Permanent Resident of the United States and has resided continuously in the United States for a minimum of three (3) years. Non-U.S. Citizens living outside of the United States cannot have the capability to access Federal Student Aid systems or data.</p>	Security
61	The servicer shall complete a self-assessment of it's system and facilities based on NIST SP 800-53 controls, identify security deficiencies/gaps, and create a remediation plan for the identified deficiencies.	Security
62	The servicer shall agree to provide support for all actions required for a formal security authorization and continuous monitoring program as defined by NIST SP 800-37.	Security



## Attachment A-2

### Not-For-Profit (NFP) High-Level Federal Servicer Requirements

63	The servicer shall create a project plan that they will follow to develop a NIST SP 800-18 compliant System Security Plan created in the Department of Education format.	Security
64	The servicer shall bundle the requested information in requirements 57 - 63 above as attachments to a discussion document that provides an overview of how each requirement is met. The cover page for this package will include a self-certification document identifying the system's security posture to include its overall security risk. The cover page shall be signed by the servicer's senior security official and program manager attesting that the information within the package is accurate.	Security

Deliverable	Definition
Borrowers in In-school Status	Number of unique borrowers (SSNs) with balance not equal to \$0.00 who have not separated from school as of the last day of the billing period
Borrowers in Grace or Current Repayment Status	Number of unique borrowers (SSNs) with balance not equal to \$0.00 who have separated from school and are less than 31 days delinquent and are not in deferment, forbearance, or conditionally discharged as of the last day of the billing period
Borrowers in Deferment or Forbearance	Number of unique borrowers (SSNs) with balance not equal to \$0.00 who have separated from school, are in deferment or forbearance and who are not conditionally discharged as of the last day of the billing period
Borrowers 31-90 Days Delinquent	Number of unique borrowers (SSNs) with balance not equal to \$0.00 who have separated from school, are 31 or more days, but less than 91 days delinquent, and who are not conditionally discharged as of the last day of the billing period
Borrowers 91-150 Days Delinquent	Number of unique borrowers (SSNs) with balance not equal to \$0.00 who have separated from school, are 91 or more days, but less than 151 days delinquent, and who are not conditionally discharged as of the last day of the billing period
Borrowers 151-270 Days Delinquent	Number of unique borrowers (SSNs) with balance not equal to \$0.00 who have separated from school are 151 or more days, but less than 271 days delinquent, and who are not conditionally discharged as of the last day of the billing period
Borrowers 270+ Days Delinquent	Number of unique borrowers (SSNs) with balance not equal to \$0.00 who have separated from school and 271 or more days and who are not conditionally discharged as of the last day of the billing period. This may include borrowers over 360 day that are considered in Default Status, but for some reason have not been transferred through no fault of the Servicer.

NOTES:

1. Common pricing shall apply regardless of program (i.e. Direct Loan, Federal Family Education Loan) or volume serviced, unless otherwise noted in the contract.
2. Reporting is required for the number of borrowers and/or loans and dollar amount of each program, in addition to any other reporting requirements provided in the contract.
3. Borrowers in multiple statuses shall be billed once, in the lowest performing deliverable status. The lowest performing deliverable status is defined as the lowest unit priced deliverable.
4. Borrowers pending discharge, which include, but are not limited to: conditional disability, death, or bankruptcy, shall be, for billing purposes, counted in the deliverable status at the time of the discharge request.
5. "The last day of the billing period" is defined as the last day of the Department of Education's monthly billing period.

## Ongoing Allocation Methodology – Version 3

The allocation of ongoing volume will be determined based on the performance of each servicer in relation to the other servicers awarded. While the total number of awarded servicers has not yet been determined, this methodology works with any number of servicers (as shown in examples).

Quarterly metric results will be compiled for each servicer based on various performance factors; five high-level metrics, and some sub-metric categories, have been defined (see below). An average of the quarterly metric results available on July 1 of each year will be used to determine the ranking of each servicer in each of the five high-level metric categories. By combining each servicer's ranking in all categories, each servicer will be given a percentage of the total volume of Federally Held Debt specifically dedicated to the Not-For-Profit (NFP) Servicer contractors pool (if any), to be distributed for the upcoming year. However, the Government makes no guarantee that a contractor under the NFP program will receive more than its initial allocation of 100,000 borrower accounts. The ability of the Contractor to retain and/or increase its allocation volume shall depend on the Contractor's compliance with contractual/regulatory requirements, and performance. In the event of an inability to comply with contractual/regulatory requirements and/or a lack of satisfactory performance, the Government reserves the right to terminate the contract or reduce the Contractor's allocation at no additional cost to the Government.

All metrics will be measured on quarterly basis. The initial metric results for each servicer will be measured during the first calendar quarter the servicer receives a transfer of loans. In July of each year, all available quarterly metric results will be averaged together to provide a final metric result in each metric category. Survey results will be averaged and rounded to the nearest 100<sup>th</sup> of a point (2 positions right of decimal – e.g. 74.577 = 74.58), other metric results will be rounded to the nearest 100<sup>th</sup> of a percent (2 positions right of percentage decimal – e.g. 2.056% = 2.06%). FSA will compare all servicers' metric results in each allocation metric category and determine a ranking for each servicer in that category, with the best ranking in each category receiving the highest possible score and the worst ranking receiving the lowest possible score (highest / lowest values will be determined by the number of servicers eligible for allocation --- Highest score possible will be the total number of servicers selected, lowest score will be 1).

Once a score has been assigned to each servicer in each allocation category, all scores for a servicer will be added together to provide the "Total Yearly Score" for that servicer for the year. Each servicer will have one Total Yearly Score for each year.

**Allocation Metric # 1 – Borrower Surveys** –The survey will measure borrower satisfaction with the servicer and results will be based on a scale of 0 – 100, with 100 representing a perfect score. FSA or an agent of FSA will conduct surveys.

**Allocation Metric # 2 – FSA Surveys** –Surveys will measure satisfaction of selected FSA staff with the servicer and results will be based on a scale of 0 – 100, with 100 representing a perfect score. FSA or an agent of FSA will conduct surveys.

**Allocation Metric # 3 – Percent of Borrowers in Current Repayment Status** – Calculation = (count of borrowers in current repayment status ( $\leq 30$  days delinquent) at the end of current period) divided by (borrower count of all borrowers in both current and delinquent repayment at end of current period).

Attachment A-4

**Allocation Metric # 4 – Percent of Borrowers > 90 Days Delinquent** – Calculation = (borrower count of borrowers > 90 days delinquent at end of the current period) divided by (borrower count of all borrowers in both current and delinquent repayment at end of current period).

**Allocation Metric # 5 – Delinquency Resolution of Borrowers Delinquent > 180 days** – Calculation = (count of current borrowers (<=30 days delinquent) at end of period who, in prior calendar quarter end had a delinquency of 180 days or >) divided by (count of borrowers >=180 days delinquent at end of prior quarter).

**Allocation of New Volume of Federally Held Debt**

Each servicer will be assigned an allocation percentage of new volume by dividing that servicer's total yearly score by the combined total yearly scores of all servicers. The resulting percentage will determine each servicer's percentage of new volume of Federally Held Debt.

The servicer's percentage of new volume will determine the percentage of new borrowers that will be sent to the servicer for servicing (loans for existing borrowers may, to the maximum extent practicable, be sent to the servicer already holding that borrower's other loans).

No entity shall be eligible for an additional allocation until they have been measured on all performance metrics for at least three full calendar quarters. No borrower accounts shall be included in the allocation pool before at least two not-for-profit servicers are eligible for an additional allocation. Accordingly, the first allocation of additional volume will not occur before August 2013.

*NOTE: If a servicer is out of compliance (for example, but not limited to, financial management or reporting, security, OMB Circular A-123, Legislative Mandates, Program Compliance, etc.), that servicer's new volume may be re-allocated to one or more other servicers until compliance has been achieved. In addition, that servicer's current account volume may be transferred to another servicer, at the non-compliant servicer's expense.*

# **SAMPLE ONLY - ONGOING ALLOCATION METRIC CALCULATION - Version 3**

## **Scenario 1 - 5 NFP Servicers Under Contract Award**

### **Quarterly Scores for all Servicers**

<b>Servicer A</b>	<b>Oct metric results</b>	<b>Dec metric results</b>	<b>Mar metric results</b>	<b>Jun metric results</b>	<b>Yearly Average</b>
Borrower Survey					
FSA Survey	98.00	96.00	98.00	96.00	97.00
% of Borrowers in Current Repayment	96.00	98.00	97.00	97.00	97.00
% of Borrowers > 90 Days Delinquent	78.00%	63.00%	74.00%	65.00%	70.00%
Delinquency Resolution of Borrowers Delinquent > 180 Days	1.00%	1.20%	0.90%	1.30%	1.100%
	6.00%	7.00%	7.00%	6.40%	6.600%

<b>Servicer B</b>	<b>Oct metric results</b>	<b>Dec metric results</b>	<b>Mar metric results</b>	<b>Jun metric results</b>	<b>Yearly Average</b>
Borrower Survey					
FSA Survey	98.00	96.00	92.00	94.00	95.00
% of Borrowers in Current Repayment	95.00	92.00	91.00	91.00	92.25
% of Borrowers > 90 Days Delinquent	60.00%	70.00%	70.00%	60.00%	65.000%
Delinquency Resolution of Borrowers Delinquent > 180 Days	2.00%	3.60%	3.00%	3.60%	3.050%
	4.00%	5.05%	4.00%	5.60%	4.660%

<b>Servicer C</b> <b>(Servicer Only live for 3 performance periods)</b>	<b>Oct metric results</b>	<b>Dec metric results</b>	<b>Mar metric results</b>	<b>Jun metric results</b>	<b>Yearly Average</b>
Borrower Survey					
FSA Survey	N/A	96.00	91.00	95.00	94.00
% of Borrowers in Current Repayment	N/A	92.00	95.00	92.00	93.00
% of Borrowers > 90 Days Delinquent	N/A	74.00%	72.00%	66.00%	70.670%
Delinquency Resolution of Borrowers Delinquent > 180 Days	N/A	2.40%	1.80%	2.60%	2.270%
	N/A	6.00%	5.00%	7.00%	6.000%

<b>Servicer D</b> <b>(Servicer Only live for 3 performance periods)</b>	<b>Oct metric results</b>	<b>Dec metric results</b>	<b>Mar metric results</b>	<b>Jun metric results</b>	<b>Yearly Average</b>
Borrower Survey					
FSA Survey	N/A	90.00	95.00	85.00	90.00
% of Borrowers in Current Repayment	N/A	97.00	98.00	90.00	95.00
% of Borrowers > 90 Days Delinquent	N/A	62.50%	60.05%	59.95%	60.830%
Delinquency Resolution of Borrowers Delinquent > 180 Days	N/A	5.05%	4.50%	5.10%	4.880%
	N/A	3.60%	2.00%	3.60%	3.070%

<b>Servicer E</b> <b>(Servicer Only live for 2 performance periods)</b> <b>NOT ELIGIBLE FOR ALLOCATION</b>	<b>Oct metric results</b>	<b>Dec metric results</b>	<b>Mar metric results</b>	<b>Jun metric results</b>	<b>Yearly Average</b>
Borrower Survey					
FSA Survey	N/A	N/A	90.00	90.00	90.00
% of Borrowers in Current Repayment	N/A	N/A	92.00	90.00	91.00
% of Borrowers > 90 Days Delinquent	N/A	N/A	61.00%	64.00%	62.500%
Delinquency Resolution of Borrowers Delinquent > 180 Days	N/A	N/A	6.00%	5.00%	5.500%
	N/A	N/A	3.00%	1.60%	2.300%

## FINAL YEARLY METRIC RESULT BY ALLOCATION METRIC

METRIC		Servicers			
		A	B	C	D
1	Borrower Survey	97.00	95.00	94.00	90.00
2	FSA Survey	97.00	92.25	93.00	95.00
3	% of Borrowers in Current Repayment	70.00%	65.00%	70.67%	60.83%
4	% of Borrowers > 90 Days Delinquent	1.10%	3.05%	2.27%	4.88%
5	Delinquency Resolution of Borrowers Delinquent > 180 Days	6.60%	4.66%	6.00%	3.07%

## SERVICER SCORE BY ALLOCATION METRIC

METRIC		Servicers			
		A	B	C	D
1	Borrower Survey	4.0	3.0	2.0	1.0
2	FSA Survey	4.0	1.0	2.0	3.0
3	% of Borrowers in Current Repayment	3.0	2.0	4.0	1.0
4	% of Borrowers > 90 Days Delinquent	4.0	2.0	3.0	1.0
5	Delinquency Resolution of Borrowers Delinquent > 180 Days	4.0	2.0	3.0	1.0

## TOTAL YEARLY SCORE BY SERVICER

AVERAGE SCORE	Servicers			
	A	B	C	D
	19.0	10.0	14.0	7.0

## ALLOCATION EACH SERIVER WILL RECEIVE

	Total Yearly Score	% of new volume Servicer will receive (Average Score / Combined Totals)	New borrowers (based on 6M total new borr)
Servicer A	30.0	33.33%	1,999,800
Servicer B	25.0	27.78%	1,666,800
Servicer C	20.0	22.22%	1,333,200
Servicer D	15.0	16.67%	1,000,200
Combined			
Total	90	100.00%	6,000,000

## Attachment A-6

### Supplemental Not-For-Profit (NFP) High-Level Federal Servicer Requirements

High Level Requirements		Requirement Category
1	The servicer shall create an interface with the Direct Loan Origination & Disbursement System(s) to accept Direct Loans.	DL Originations
2	The servicer shall complete all financial transactions, reconciliation, and reporting resulting from receiving Direct Loans.	DL Originations
3	The servicer shall resolve any Direct Loan origination interface errors and data conflicts.	DL Originations
4	The servicer shall implement a process to accept loans purchased by ED via a loan transfer file.	Loan Purchases
5	The servicer shall support all activities required to complete ED loan purchases.	Loan Purchases
6	The servicer shall complete all financial transactions, reconciliation, and reporting resulting from ED loan purchase process.	Loan Purchases

WD 05-2531 (Rev.-11) was first posted on www.wdol.gov on 06/17/2011

REGISTER OF WAGE DETERMINATIONS UNDER  
THE SERVICE CONTRACT ACT  
By direction of the Secretary of Labor

U.S. DEPARTMENT OF LABOR  
EMPLOYMENT STANDARDS ADMINISTRATION  
WAGE AND HOUR DIVISION  
WASHINGTON D.C. 20210

Diane C. Koplewski Division of  
Director Wage Determinations

Wage Determination No.: 2005-2531  
Revision No.: 11  
Date Of Revision: 06/13/2011

State: Utah  
Area: Utah Statewide

\*\*Fringe Benefits Required Follow the Occupational Listing\*\*

OCCUPATION CODE - TITLE	FOOTNOTE	RATE
01000 - Administrative Support And Clerical Occupations		
01011 - Accounting Clerk I		12.81
01012 - Accounting Clerk II		14.38
01013 - Accounting Clerk III		16.09
01020 - Administrative Assistant		18.47
01040 - Court Reporter		19.50
01051 - Data Entry Operator I		11.89
01052 - Data Entry Operator II		12.98
01060 - Dispatcher, Motor Vehicle		16.80
01070 - Document Preparation Clerk		14.10
01090 - Duplicating Machine Operator		14.10
01111 - General Clerk I		11.54
01112 - General Clerk II		12.59
01113 - General Clerk III		14.13
01120 - Housing Referral Assistant		16.51
01141 - Messenger Courier		11.64
01191 - Order Clerk I		12.93
01192 - Order Clerk II		14.11
01261 - Personnel Assistant (Employment) I		14.71
01262 - Personnel Assistant (Employment) II		16.45
01263 - Personnel Assistant (Employment) III		18.35
01270 - Production Control Clerk		17.99
01280 - Receptionist		10.46
01290 - Rental Clerk		11.44
01300 - Scheduler, Maintenance		13.23
01311 - Secretary I		13.23
01312 - Secretary II		14.80
01313 - Secretary III		16.51
01320 - Service Order Dispatcher		14.95
01410 - Supply Technician		18.43
01420 - Survey Worker		12.10
01531 - Travel Clerk I		12.39
01532 - Travel Clerk II		13.15
01533 - Travel Clerk III		13.78
01611 - Word Processor I		13.94
01612 - Word Processor II		15.88
01613 - Word Processor III		17.61
05000 - Automotive Service Occupations		
05005 - Automobile Body Repairer, Fiberglass		19.06
05010 - Automotive Electrician		18.09
05040 - Automotive Glass Installer		17.17
05070 - Automotive Worker		17.14



05110 - Mobile Equipment Servicer	
05130 - Motor Equipment Metal Mechanic	15.24
05160 - Motor Equipment Metal Worker	18.82
05190 - Motor Vehicle Mechanic	17.14
05220 - Motor Vehicle Mechanic Helper	17.82
05250 - Motor Vehicle Upholstery Worker	14.11
05280 - Motor Vehicle Wrecker	16.19
05310 - Painter, Automotive	17.14
05340 - Radiator Repair Specialist	18.09
05370 - Tire Repairer	17.14
05400 - Transmission Repair Specialist	12.41
07000 - Food Preparation And Service Occupations	18.46
07010 - Baker	
07041 - Cook I	11.60
07042 - Cook II	10.72
07070 - Dishwasher	12.42
07130 - Food Service Worker	8.06
07210 - Meat Cutter	8.28
07260 - Waiter/Waitress	13.77
09000 - Furniture Maintenance And Repair Occupations	9.23
09010 - Electrostatic Spray Painter	
09040 - Furniture Handler	17.05
09080 - Furniture Refinisher	12.27
09090 - Furniture Refinisher Helper	17.05
09110 - Furniture Repairer, Minor	12.86
09130 - Upholsterer	14.77
11000 - General Services And Support Occupations	17.05
11030 - Cleaner, Vehicles	
11060 - Elevator Operator	9.62
11090 - Gardener	9.62
11122 - Housekeeping Aide	13.88
11150 - Janitor	9.99
11210 - Laborer, Grounds Maintenance	9.99
11240 - Maid or Houseman	10.72
11260 - Pruner	8.86
11270 - Tractor Operator	10.07
11330 - Trail Maintenance Worker	12.94
11360 - Window Cleaner	10.72
12000 - Health Occupations	11.14
12010 - Ambulance Driver	
12011 - Breath Alcohol Technician	14.67
12012 - Certified Occupational Therapist Assistant	14.74
12015 - Certified Physical Therapist Assistant	20.78
12020 - Dental Assistant	18.90
12025 - Dental Hygienist	13.03
12030 - EKG Technician	30.54
12035 - Electroneurodiagnostic Technologist	23.74
12040 - Emergency Medical Technician	23.74
12071 - Licensed Practical Nurse I	14.67
12072 - Licensed Practical Nurse II	14.56
12073 - Licensed Practical Nurse III	16.29
12100 - Medical Assistant	18.17
12130 - Medical Laboratory Technician	12.85
12160 - Medical Record Clerk	13.99
12190 - Medical Record Technician	12.64
12195 - Medical Transcriptionist	14.89
12210 - Nuclear Medicine Technologist	14.45
12221 - Nursing Assistant I	31.97
12222 - Nursing Assistant II	10.00
12223 - Nursing Assistant III	11.24
	12.26

12224 - Nursing Assistant IV	
12235 - Optical Dispenser	13.77
12236 - Optical Technician	15.17
12250 - Pharmacy Technician	12.73
12280 - Phlebotomist	14.80
12305 - Radiologic Technologist	13.77
12311 - Registered Nurse I	21.51
12312 - Registered Nurse II	22.82
12313 - Registered Nurse II, Specialist	27.91
12314 - Registered Nurse III	27.91
12315 - Registered Nurse III, Anesthetist	33.76
12316 - Registered Nurse IV	33.76
12317 - Scheduler (Drug and Alcohol Testing)	40.47
13000 - Information And Arts Occupations	18.69
13011 - Exhibits Specialist I	
13012 - Exhibits Specialist II	16.49
13013 - Exhibits Specialist III	20.44
13041 - Illustrator I	25.00
13042 - Illustrator II	18.72
13043 - Illustrator III	23.20
13047 - Librarian	28.30
13050 - Library Aide/Clerk	22.73
13054 - Library Information Technology Systems Administrator	10.45
13058 - Library Technician	20.53
13061 - Media Specialist I	13.18
13062 - Media Specialist II	14.81
13063 - Media Specialist III	16.57
13071 - Photographer I	18.48
13072 - Photographer II	15.59
13073 - Photographer III	17.59
13074 - Photographer IV	21.61
13075 - Photographer V	26.44
13110 - Video Teleconference Technician	31.98
14000 - Information Technology Occupations	16.34
14041 - Computer Operator I	
14042 - Computer Operator II	15.11
14043 - Computer Operator III	16.90
14044 - Computer Operator IV	19.95
14045 - Computer Operator V	21.75
14071 - Computer Programmer I	24.10
14072 - Computer Programmer II	(see 1)
14073 - Computer Programmer III	(see 1)
14074 - Computer Programmer IV	(see 1)
14101 - Computer Systems Analyst I	(see 1)
14102 - Computer Systems Analyst II	(see 1)
14103 - Computer Systems Analyst III	(see 1)
14150 - Peripheral Equipment Operator	(see 1)
14160 - Personal Computer Support Technician	14.59
15000 - Instructional Occupations	21.75
15010 - Aircrew Training Devices Instructor (Non-Rated)	
15020 - Aircrew Training Devices Instructor (Rated)	31.89
15030 - Air Crew Training Devices Instructor (Pilot)	38.58
15050 - Computer Based Training Specialist / Instructor	42.72
15060 - Educational Technologist	31.89
15070 - Flight Instructor (Pilot)	22.83
15080 - Graphic Artist	42.72
15090 - Technical Instructor	19.67
15095 - Technical Instructor/Course Developer	18.64
15110 - Test Proctor	22.82
	15.04

15120 - Tutor	
16000 - Laundry, Dry-Cleaning, Pressing And Related Occupations	15.04
16010 - Assembler	
16030 - Counter Attendant	
16040 - Dry Cleaner	9.04
16070 - Finisher, Flatwork, Machine	9.04
16090 - Presser, Hand	12.02
16110 - Presser, Machine, Drycleaning	9.04
16130 - Presser, Machine, Shirts	9.04
16160 - Presser, Machine, Wearing Apparel, Laundry	9.04
16190 - Sewing Machine Operator	9.04
16220 - Tailor	12.90
16250 - Washer, Machine	13.67
19000 - Machine Tool Operation And Repair Occupations	10.09
19010 - Machine-Tool Operator (Tool Room)	
19040 - Tool And Die Maker	18.68
21000 - Materials Handling And Packing Occupations	21.89
21020 - Forklift Operator	
21030 - Material Coordinator	14.31
21040 - Material Expediter	18.38
21050 - Material Handling Laborer	18.38
21071 - Order Filler	11.67
21080 - Production Line Worker (Food Processing)	11.96
21110 - Shipping Packer	14.31
21130 - Shipping/Receiving Clerk	13.08
21140 - Store Worker I	13.08
21150 - Stock Clerk	10.83
21210 - Tools And Parts Attendant	15.07
21410 - Warehouse Specialist	14.31
23000 - Mechanics And Maintenance And Repair Occupations	14.31
23010 - Aerospace Structural Welder	
23021 - Aircraft Mechanic I	25.76
23022 - Aircraft Mechanic II	24.30
23023 - Aircraft Mechanic III	25.76
23040 - Aircraft Mechanic Helper	26.95
23050 - Aircraft, Painter	16.74
23060 - Aircraft Servicer	22.63
23080 - Aircraft Worker	19.31
23110 - Appliance Mechanic	20.59
23120 - Bicycle Repairer	18.84
23125 - Cable Splicer	12.41
23130 - Carpenter, Maintenance	25.98
23140 - Carpet Layer	17.48
23160 - Electrician, Maintenance	16.82
23181 - Electronics Technician Maintenance I	20.33
23182 - Electronics Technician Maintenance II	21.64
23183 - Electronics Technician Maintenance III	23.70
23260 - Fabric Worker	25.21
23290 - Fire Alarm System Mechanic	17.27
23310 - Fire Extinguisher Repairer	20.83
23311 - Fuel Distribution System Mechanic	16.01
23312 - Fuel Distribution System Operator	23.58
23370 - General Maintenance Worker	17.93
23380 - Ground Support Equipment Mechanic	16.62
23381 - Ground Support Equipment Servicer	24.30
23382 - Ground Support Equipment Worker	19.31
23391 - Gunsmith I	20.59
23392 - Gunsmith II	16.01
23393 - Gunsmith III	18.54
23410 - Heating, Ventilation And Air-Conditioning	21.06
	19.11

Mechanic	
23411 - Heating, Ventilation And Air Contditioning	19.96
Mechanic (Research Facility)	
23430 - Heavy Equipment Mechanic	22.27
23440 - Heavy Equipment Operator	18.92
23460 - Instrument Mechanic	23.00
23465 - Laboratory/Shelter Mechanic	19.80
23470 - Laborer	11.11
23510 - Locksmith	16.75
23530 - Machinery Maintenance Mechanic	20.97
23550 - Machinist, Maintenance	18.47
23580 - Maintenance Trades Helper	13.08
23591 - Metrology Technician I	23.00
23592 - Metrology Technician II	24.38
23593 - Metrology Technician III	25.51
23640 - Millwright	22.04
23710 - Office Appliance Repairer	18.51
23760 - Painter, Maintenance	18.43
23790 - Pipefitter, Maintenance	21.59
23810 - Plumber, Maintenance	20.85
23820 - Pneudraulic Systems Mechanic	21.06
23850 - Rigger	21.06
23870 - Scale Mechanic	18.54
23890 - Sheet-Metal Worker, Maintenance	20.68
23910 - Small Engine Mechanic	17.46
23931 - Telecommunications Mechanic I	24.64
23932 - Telecommunications Mechanic II	26.12
23950 - Telephone Lineman	20.43
23960 - Welder, Combination, Maintenance	17.45
23965 - Well Driller	21.48
23970 - Woodcraft Worker	21.06
23980 - Woodworker	14.12
24000 - Personal Needs Occupations	
24570 - Child Care Attendant	9.97
24580 - Child Care Center Clerk	12.45
24610 - Chore Aide	9.86
24620 - Family Readiness And Support Services	11.70
Coordinator	
24630 - Homemaker	13.78
25000 - Plant And System Operations Occupations	
25010 - Boiler Tender	25.82
25040 - Sewage Plant Operator	19.53
25070 - Stationary Engineer	25.82
25190 - Ventilation Equipment Tender	17.29
25210 - Water Treatment Plant Operator	19.53
27000 - Protective Service Occupations	
27004 - Alarm Monitor	15.44
27007 - Baggage Inspector	12.47
27008 - Corrections Officer	19.80
27010 - Court Security Officer	19.30
27030 - Detection Dog Handler	18.83
27040 - Detention Officer	19.80
27070 - Firefighter	18.02
27101 - Guard I	12.47
27102 - Guard II	18.83
27131 - Police Officer I	21.39
27132 - Police Officer II	23.69
28000 - Recreation Occupations	
28041 - Carnival Equipment Operator	10.98
28042 - Carnival Equipment Repairer	11.75

28043 - Carnival Equipment Worker	8.65
28210 - Gate Attendant/Gate Tender	14.59
28310 - Lifeguard	11.17
28350 - Park Attendant (Aide)	16.32
28510 - Recreation Aide/Health Facility Attendant	11.91
28515 - Recreation Specialist	16.29
28630 - Sports Official	13.00
28690 - Swimming Pool Operator	15.88
29000 - Stevedoring/Longshoremen Occupational Services	
29010 - Blocker And Bracer	
29020 - Hatch Tender	22.52
29030 - Line Handler	22.52
29041 - Stevedore I	22.52
29042 - Stevedore II	20.98
30000 - Technical Occupations	24.05
30010 - Air Traffic Control Specialist, Center (HFO) (see 2)	35.77
30011 - Air Traffic Control Specialist, Station (HFO) (see 2)	24.66
30012 - Air Traffic Control Specialist, Terminal (HFO) (see 2)	27.16
30021 - Archeological Technician I	17.36
30022 - Archeological Technician II	18.37
30023 - Archeological Technician III	22.75
30030 - Cartographic Technician	22.75
30040 - Civil Engineering Technician	19.83
30061 - Drafter/CAD Operator I	17.36
30062 - Drafter/CAD Operator II	18.37
30063 - Drafter/CAD Operator III	20.48
30064 - Drafter/CAD Operator IV	24.96
30081 - Engineering Technician I	14.56
30082 - Engineering Technician II	16.34
30083 - Engineering Technician III	18.28
30084 - Engineering Technician IV	22.65
30085 - Engineering Technician V	27.71
30086 - Engineering Technician VI	32.84
30090 - Environmental Technician	20.38
30210 - Laboratory Technician	19.00
30240 - Mathematical Technician	22.75
30361 - Paralegal/Legal Assistant I	17.20
30362 - Paralegal/Legal Assistant II	21.32
30363 - Paralegal/Legal Assistant III	26.08
30364 - Paralegal/Legal Assistant IV	31.55
30390 - Photo-Optics Technician	22.75
30461 - Technical Writer I	20.95
30462 - Technical Writer II	25.64
30463 - Technical Writer III	31.00
30491 - Unexploded Ordnance (UXO) Technician I	22.74
30492 - Unexploded Ordnance (UXO) Technician II	27.51
30493 - Unexploded Ordnance (UXO) Technician III	32.97
30494 - Unexploded (UXO) Safety Escort	22.74
30495 - Unexploded (UXO) Sweep Personnel	22.74
30620 - Weather Observer, Combined Upper Air Or Surface Programs (see 2)	20.48
30621 - Weather Observer, Senior (see 2)	22.75
31000 - Transportation/Mobile Equipment Operation Occupations	
31020 - Bus Aide	10.64
31030 - Bus Driver	15.04
31043 - Driver Courier	11.38
31260 - Parking and Lot Attendant	8.71
31290 - Shuttle Bus Driver	12.36
31310 - Taxi Driver	10.71
31361 - Truckdriver, Light	12.36

31362 - Truckdriver, Medium	
31363 - Truckdriver, Heavy	16.84
31364 - Truckdriver, Tractor-Trailer	18.99
99000 - Miscellaneous Occupations	18.99
99030 - Cashier	
99050 - Desk Clerk	8.83
99095 - Embalmer	9.45
99251 - Laboratory Animal Caretaker I	25.48
99252 - Laboratory Animal Caretaker II	10.19
99310 - Mortician	10.67
99410 - Pest Controller	33.91
99510 - Photofinishing Worker	14.02
99710 - Recycling Laborer	11.77
99711 - Recycling Specialist	16.98
99730 - Refuse Collector	20.20
99810 - Sales Clerk	15.21
99820 - School Crossing Guard	11.95
99830 - Survey Party Chief	9.59
99831 - Surveying Aide	18.63
99832 - Surveying Technician	13.27
99840 - Vending Machine Attendant	16.93
99841 - Vending Machine Repairer	15.14
99842 - Vending Machine Repairer Helper	18.30
	15.14

ALL OCCUPATIONS LISTED ABOVE RECEIVE THE FOLLOWING BENEFITS:

HEALTH & WELFARE: \$3.59 per hour or \$143.60 per week or \$622.27 per month

VACATION: 2 weeks paid vacation after 1 year of service with a contractor or successor; 3 weeks after 5 years, and 4 weeks after 15 years. Length of service includes the whole span of continuous service with the present contractor or successor, wherever employed, and with the predecessor contractors in the performance of similar work at the same Federal facility. (Reg. 29 CFR 4.173)

HOLIDAYS: A minimum of eleven paid holidays per year: New Year's Day, Martin Luther King Jr's Birthday, Washington's Birthday, Good Friday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans' Day, Thanksgiving Day, and Christmas Day. A contractor may substitute for any of the named holidays another day off with pay in accordance with a plan communicated to the employees involved.) (See 29 CFR 4.174)

THE OCCUPATIONS WHICH HAVE NUMBERED FOOTNOTES IN PARENTHESES RECEIVE THE FOLLOWING:

1) COMPUTER EMPLOYEES: Under the SCA at section 8(b), this wage determination does not apply to any employee who individually qualifies as a bona fide executive, administrative, or professional employee as defined in 29 C.F.R. Part 541. Because most Computer System Analysts and Computer Programmers who are compensated at a rate not less than \$27.63 (or on a salary or fee basis at a rate not less than \$455 per week) an hour would likely qualify as exempt computer professionals, (29 C.F.R. 541.400) wage rates may not be listed on this wage determination for all occupations within those job families. In addition, because this wage determination may not list a wage rate for some or all occupations within those job families if the survey data indicates that the prevailing wage rate for the occupation equals or exceeds

\$27.63 per hour conformances may be necessary for certain nonexempt employees. For example, if an individual employee is nonexempt but nevertheless performs duties within the scope of one of the Computer Systems Analyst or Computer Programmer occupations for which this wage determination does not specify an SCA wage rate, then the wage rate for that employee must be conformed in accordance with the conformance procedures described in the conformance note included on this wage determination.

Additionally, because job titles vary widely and change quickly in the computer industry, job titles are not determinative of the application of the computer professional exemption. Therefore, the exemption applies only to computer employees who satisfy the compensation requirements and whose primary duty consists of:

- (1) The application of systems analysis techniques and procedures, including consulting with users, to determine hardware, software or system functional specifications;
- (2) The design, development, documentation, analysis, creation, testing or modification of computer systems or programs, including prototypes, based on and related to user or system design specifications;
- (3) The design, documentation, testing, creation or modification of computer programs related to machine operating systems; or
- (4) A combination of the aforementioned duties, the performance of which requires the same level of skills. (29 C.F.R. 541.400).

2) AIR TRAFFIC CONTROLLERS AND WEATHER OBSERVERS - NIGHT PAY & SUNDAY PAY: If you work at night as part of a regular tour of duty, you will earn a night differential and receive an additional 10% of basic pay for any hours worked between 6pm and 6am. If you are a full-time employed (40 hours a week) and Sunday is part of your regularly scheduled workweek, you are paid at your rate of basic pay plus a Sunday premium of 25% of your basic rate for each hour of Sunday work which is not overtime (i.e. occasional work on Sunday outside the normal tour of duty is considered overtime work).

HAZARDOUS PAY DIFFERENTIAL: An 8 percent differential is applicable to employees employed in a position that represents a high degree of hazard when working with or in close proximity to ordnance, explosives, and incendiary materials. This includes work such as screening, blending, dying, mixing, and pressing of sensitive ordnance, explosives, and pyrotechnic compositions such as lead azide, black powder and photoflash powder. All dry-house activities involving propellants or explosives. Demilitarization, modification, renovation, demolition, and maintenance operations on sensitive ordnance, explosives and incendiary materials. All operations involving regrading and cleaning of artillery ranges.

A 4 percent differential is applicable to employees employed in a position that represents a low degree of hazard when working with, or in close proximity to ordnance, (or employees possibly adjacent to) explosives and incendiary materials which involves potential injury such as laceration of hands, face, or arms of the employee engaged in the operation, irritation of the skin, minor burns and the like; minimal damage to immediate or adjacent work area or equipment being used. All operations involving, unloading, storage, and hauling of ordnance, explosive, and incendiary ordnance material other than small arms ammunition. These differentials are only applicable to work that has been specifically designated by the agency for ordnance, explosives, and incendiary material differential pay.

**\*\* UNIFORM ALLOWANCE \*\***

If employees are required to wear uniforms in the performance of this contract (either by the terms of the Government contract, by the employer, by the state or local law, etc.), the cost of furnishing such uniforms and maintaining (by laundering or dry cleaning) such uniforms is an expense that may not be borne by an

employee where such cost reduces the hourly rate below that required by the wage determination. The Department of Labor will accept payment in accordance with the following standards as compliance:

The contractor or subcontractor is required to furnish all employees with an adequate number of uniforms without cost or to reimburse employees for the actual cost of the uniforms. In addition, where uniform cleaning and maintenance is made the responsibility of the employee, all contractors and subcontractors subject to this wage determination shall (in the absence of a bona fide collective bargaining agreement providing for a different amount, or the furnishing of contrary affirmative proof as to the actual cost), reimburse all employees for such cleaning and maintenance at a rate of \$3.35 per week (or \$.67 cents per day). However, in those instances where the uniforms furnished are made of "wash and wear" materials, may be routinely washed and dried with other personal garments, and do not require any special treatment such as dry cleaning, daily washing, or commercial laundering in order to meet the cleanliness or appearance standards set by the terms of the Government contract, by the contractor, by law, or by the nature of the work, there is no requirement that employees be reimbursed for uniform maintenance costs.

The duties of employees under job titles listed are those described in the "Service Contract Act Directory of Occupations", Fifth Edition, April 2006, unless otherwise indicated. Copies of the Directory are available on the Internet. A link to the Directory may be found on the WHD home page at <http://www.dol.gov/esa/whd/> or through the Wage Determinations On-Line (WDOL) Web site at <http://wdol.gov/>.

REQUEST FOR AUTHORIZATION OF ADDITIONAL CLASSIFICATION AND WAGE RATE (Standard Form 1444 (SF 1444))

#### Conformance Process:

The contracting officer shall require that any class of service employee which is not listed herein and which is to be employed under the contract (i.e., the work to be performed is not performed by any classification listed in the wage determination), be classified by the contractor so as to provide a reasonable relationship (i.e., appropriate level of skill comparison) between such unlisted classifications and the classifications listed in the wage determination. Such conformed classes of employees shall be paid the monetary wages and furnished the fringe benefits as are determined. Such conforming process shall be initiated by the contractor prior to the performance of contract work by such unlisted class(es) of employees. The conformed classification, wage rate, and/or fringe benefits shall be retroactive to the commencement date of the contract. (See Section 4.6 (C)(vi)) When multiple wage determinations are included in a contract, a separate SF 1444 should be prepared for each wage determination to which a class(es) is to be conformed.

The process for preparing a conformance request is as follows:

- 1) When preparing the bid, the contractor identifies the need for a conformed occupation(s) and computes a proposed rate(s).
- 2) After contract award, the contractor prepares a written report listing in order proposed classification title(s), a Federal grade equivalency (FGE) for each proposed classification(s), job description(s), and rationale for proposed wage rate(s), including information regarding the agreement or disagreement of the authorized representative of the employees involved, or where there is no authorized representative, the employees themselves. This report should be submitted to the contracting officer no later than 30 days after such unlisted class(es) of employees performs any contract work.



3) The contracting officer reviews the proposed action and promptly submits a report of the action, together with the agency's recommendations and pertinent information including the position of the contractor and the employees, to the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, for review. (See section 4.6(b)(2) of Regulations 29 CFR Part 4).

4) Within 30 days of receipt, the Wage and Hour Division approves, modifies, or disapproves the action via transmittal to the agency contracting officer, or notifies the contracting officer that additional time will be required to process the request.

5) The contracting officer transmits the Wage and Hour decision to the contractor.

6) The contractor informs the affected employees.

Information required by the Regulations must be submitted on SF 1444 or bond paper.

When preparing a conformance request, the "Service Contract Act Directory of Occupations" (the Directory) should be used to compare job definitions to insure that duties requested are not performed by a classification already listed in the wage determination. Remember, it is not the job title, but the required tasks that determine whether a class is included in an established wage determination. Conformances may not be used to artificially split, combine, or subdivide classifications listed in the wage determination.

Attachment A-8: TIVAS Terms and Conditions (v2)

*In accordance with Section B.12.N.14 of the contract, once two (2) million borrower accounts have been collectively allocated under this contract, the following terms within this document shall apply. Unless otherwise noted herein, all other terms and conditions of the contract shall remain in full force and effect:*

**A. TIVAS Pricing Terms:**

1. The following pricing replaces the pricing model provided in Section B.12.N.3. All pricing, including set pricing for the first 100,000 allocated borrower accounts, shall convert to the pricing below. CLINS 0001-0009 established in A.1 shall no longer apply.

The Government will set and manage the common pricing, including tier structure, below:

Status	Volume Low	Volume High	Unit Price
Borrowers in In-school Status	N/A	N/A	\$ 1.050
Borrowers in Grace or Current Repayment Status	1	3,000,000	\$ 2.110
	3,000,001	UP	\$ 1.900
Borrowers in Deferment or Forbearance	1	1,600,000	\$ 2.070
	1,600,001	UP	\$ 1.730
Borrowers 31-90 Days Delinquent	N/A	N/A	\$ 1.620
Borrowers 91-150 Days Delinquent	N/A	N/A	\$ 1.500
Borrowers 151-270 Days Delinquent	N/A	N/A	\$ 1.370
Borrowers 270+ Days Delinquent	N/A	N/A	\$ 0.500

Out year pricing will follow the methodology described utilizing the subsequent terms. There will be no set declination in pricing at the time of award.

2. The contractor shall implement an interface with the Student Loan origination and disbursement system, in accordance with Attachment A-6.

## **B. TIVAS Ongoing Allocation Methodology**

*The following allocation methodology shall replace the previous version provided as Attachment A-4, in its entirety:*

The allocation of ongoing volume will be determined based on the performance of each servicer in relation to the other servicers awarded. While the total number of awarded servicers has not yet been determined, this methodology works with any number of servicers (as shown in examples).

Quarterly scores will be compiled for each servicer based on various performance factors; five high-level metrics, and some sub-metric categories, have been defined (see below). An average of the quarterly scores available on July 1 of each year will be used to determine the ranking of each servicer in each of the five high-level metric categories. By combining each servicer's ranking in all categories, each servicer will be given a percentage of the total new volume of Federally Held Debt to be distributed for the upcoming year.

Servicers will be informed of their allocation percentage of new volume by July 15 of each year. This allocation will become effective on August 15 of each year. The first ongoing allocation will be provided by August 15, 2010.

The allocation of ongoing volume will be determined based on the following factors:

1. Percentage of "In Repayment" Portfolio Dollars that go into default (that are 361+ days delinquent within the current quarter) – Measured as a percentage of the servicer's current Federally held portfolio
  - a. Percentage at Public Schools
  - b. Percentage at Private Schools
  - c. Percentage at Proprietary Schools
2. Percentage of unique "In Repayment" Portfolio borrowers that go into default (that are 361+ days delinquent within the current quarter) – Measured as a percentage of the servicer's current Federally held portfolio
  - a. Percentage at Public Schools
  - b. Percentage at Private Schools
  - c. Percentage at Proprietary Schools
3. Borrower Surveys
  - a. In School Borrowers
  - b. In Grace Borrowers
  - c. In Repayment Borrowers
4. School Surveys
  - a. Public Schools
  - b. Private Schools
  - c. Proprietary Schools
5. Survey of FSA personnel

Attachment A-8: TIVAS Terms and Conditions (v2)

**Allocation Metric # 1** - to be measured Quarterly (calendar quarters beginning with October 1, 2009). Calculation = (Total Dollar Amount that are 361+ days delinquent within the current quarter) DIVIDED BY (Total Dollar Amount that are in Repayment and 0 to 360 days delinquent plus the Total Dollar Amount that are 361+ days only within the current quarter). All available quarterly scores in each category (1a, 1b, 1c) will be averaged together on July 1 of each year to calculate the Final Score for this allocation metric."

**Allocation Metric # 2** - to be measured Quarterly (calendar quarters beginning with October 1, 2009). Calculation = (Total Count of Borrowers that are 361+ days delinquent within the current quarter) DIVIDED BY (Total Count of Borrowers that are in Repayment and 0 to 360 days delinquent plus the Total Count of Borrowers that are 361+ days only within the current quarter). All available quarterly scores in each category (2a, 2b, 2c) will be averaged together on July 1 of each year to calculate the Final Score for this allocation metric."

**Allocation Metric # 3** - Surveys will be conducted quarterly of borrowers in each category (In School, In Grace, and In Repayment). The survey will measure borrower satisfaction with the servicer and results will be based on a scale of 0 - 100%, with 100% representing a perfect score. FSA, or an agent of FSA will conduct surveys. All available quarterly scores in each category (3a, 3b, 3c) will be averaged together on July 1 of each year to calculate the Final Score for this allocation metric.

**Allocation Metric # 4** - Surveys will be conducted quarterly of schools in each category (Public, Private, and Proprietary). The survey will measure school satisfaction with the servicer and results will be based on a scale of 0 - 100%, with 100% representing a perfect score. FSA, or an agent of FSA will conduct surveys. All available quarterly scores in each category (4a, 4b, 4c) will be averaged together on July 1 of each year to calculate the Final Score for this allocation metric.

**Allocation Metric # 5** - Surveys will be conducted quarterly of FSA personnel. The survey will measure FSA satisfaction with the servicer and results will be based on a scale of 0 - 100%, with 100% representing a perfect score. FSA, or an agent of FSA will conduct surveys. All available quarterly scores will be averaged together on July 1 of each year to calculate the Final Score for this allocation metric.

## **Allocation Metric Score Comparison Among Servicers**

The above calculation will result in a set of 5 scores for each servicer, one score in each metric category (1-Defaulted borrower dollars, 2-Defaulted borrower count, 3-Borrower Survey, 4-School Survey, 5-FSA Survey).

FSA will compare all servicers' scores in each allocation metric category and provide a ranking for each servicer in that category, with the best score in each category receiving the highest possible value and the worst score receiving the lowest possible value (highest / lowest values will be determined by the number of servicers selected --- Highest score possible will be the total number of servicers selected, lowest score will be 1).

## Attachment A-8: TIVAS Terms and Conditions (v2)

Once a ranking value has been assigned to each servicer in each allocation category, all scores for a servicer will be added together to provide the "Total Score" for that servicer for the year. Each servicer will have one Total Score for each year.

### **Allocation of New Volume of Federally Held Debt**

Each servicer will be assigned an allocation of new volume by dividing that servicer's total score by the combined total scores of all servicers. The resulting percentage will determine each servicer's percentage of new volume of Federally Held Debt.

The servicer's percentage of new volume will determine the percentage of new borrowers that will be sent to the servicer for servicing (loans for existing borrowers may, to the maximum extent practicable, be sent to the servicer already holding that borrower's other loans).

NOTE: If a servicer is out of compliance (for example, but not limited to, financial management or reporting, security, OMB Circular A-123, Legislative Mandates, Program Compliance, etc.), that servicer's new volume may be re-allocated to one or more other servicers until compliance has been achieved. In addition, that servicer's current account volume may be transferred to another servicer, at the non-compliant servicer's expense.

Attachment A-8: TIVAS Terms and Conditions (v2)

### C. SAMPLE - ONGOING ALLOCATION METRIC CALCULATION

*The following sample allocation metric calculation shall replace the previous version provided as Attachment A-5, in its entirety:*

#### Scenario 10 - 2 Servicers selected

##### FINAL SCORE BY ALLOCATION METRIC

METRIC		Servicers	
1		1	2
1	Defaulted borrower count	1.10%	2.20%
2	Defaulted borrower amount	6.60%	5.50%
3	Borrower Survey	97.00%	95.00%
4	School Survey	89.00%	90.00%
5	FSA Survey	97.00%	95.00%

##### SERVICER RANKING BY ALLOCATION METRIC

METRIC		Servicers	
1		1	2
1	Defaulted borrower count	2.0	1.0
2	Defaulted borrower amount	1.0	2.0
3	Borrower Survey	2.0	1.0
4	School Survey	1.0	2.0
5	FSA Survey	2.0	1.0

##### TOTAL SCORE BY SERVICER

TOTAL SCORE	Servicers	
	1	2
	8.0	7.0

##### ALLOCATION EACH SERIVER WILL RECEIVE

	Total Score	% of new volume Servicer will receive (Total Score / Combined Totals)	New borrowers (based on 6M total new borr)
Servicer 1	8.0	53.33%	3,200,000
Servicer 2	7.0	46.67%	2,800,000
Combined Total	15	100.00%	6,000,000

# Contractor Distribution Form (CO)

CONTRACT: Cornerstone UHEAA (MOU)

UNITED STATES OF AMERICA (MOU)				
ISSUED (Date)	ISSUED BY (Printed Name/Signature)	ISSUED TO (Printed Name/signature)	TURNED IN (Date)	RECEIVED BY (Printed Name/Signature)
	Mark Anderson	Nicholas Chung		
TOKEN SERIAL NUMBER				

[illegible]

